JAPAN CONSUMER RESEARCH 2000

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EXECUTIVE SUMMARY

- Japan's recent economic instability has had a profound impact on the outbound travel market, resulting in a marginal 0.6% increase in outbound departures in 1997 and a 6% decline in departures in 1998. Japanese travel to Canada has been directly affected, with arrivals falling 13% in 1997 and a further 14% in 1998.

- As a result, the Canadian Tourism Commission (CTC) and a partnership group consisting of the Atlantic Canada Tourism Partnership (ACTP), Ontario, Alberta, B.C., Air Canada, Canadian Airlines, CP Hotels and Resorts and JTB International (Canada) commissioned a study of Japanese long-haul pleasure travellers in late 1999 to ascertain the impact of the current economic difficulties on consumers' purchasing and travel patterns.

- A telephone survey of 915 Japanese long-haul pleasure travellers was conducted in March/April of 2000. To assess the changes that have occurred in the marketplace, the results of this study were compared with the CTC's 1995 Japan Pleasure Travel Market Study (PTMS).

Impact of the Economy on Consumer Purchasing/Travel Patterns

- The results of this study show that there have been many striking changes in this market since 1995. Many of these changes are closely tied to the economic weakness in Japan, the deterioration of the yen and the poor consumer confidence that has swept the country. Some of the key findings of this study follow.

- The incidence rate for long-haul pleasure travel, which increased steadily between 1986 and 1995, is about the same today as it was in 1995 (25.5% of Japanese adults have taken a long-haul trip in the past three years or plan to take one in the next year). This is a clear sign that the market has stalled.

- Many Japanese are putting off their long-haul travel plans until the economy strengthens. Close to three-quarters of the market (73%) is "waiting until the economy improves to take an overseas holiday," while 63% of travellers are "waiting for the exchange rate to improve" before embarking on overseas vacations. Overall, fewer travellers today feel that "money spent on overseas travel is money well spent" (only 66%, compared with 72% five years ago).

- Combined business-pleasure travel and company-sponsored vacations have dropped (from 21% of the market to only 8%) as a result of a severe clamp-down on business/ incentive travel by Japanese corporations. Consequently, pleasure/vacation trips now account for the lion's share of the market at 71%.

- Today's long-haul travellers are choosing to take shorter trips (63% now take trips of a week or less, compared with only 47% in 1995). This suggests that some travellers are looking for a way to reduce the cost of their trip in response to economic pressures, but do not want to give up on long-haul travel entirely.

- There is also less of a tendency to bring children along on long-haul trips than before (travel with children dropped from 20% to 14%). This will likely reduce the demand for family-oriented attractions and products, at least in the short-term.

- Travellers have become more cautious with their vacation dollar, spending notably less on their long-haul trips than they did in the past. Average trip expenditures have dropped by 23% since 1995, while per person per day expenditures have fallen by 7%.

- Similarly, trips to Canada are much shorter now, with total trip expenditures declining by 26%. Per per person per day expenditures dropped by 17%, which suggests that the current consumer cautiousness goes beyond taking shorter trips and travelling with fewer people.

- The booking horizon has lengthened, with long-haul pleasure travellers now booking their trips further in advance. In today's uncertain economic environment, travellers are less likely to make an impulsive decision to travel than they were in the past, and are also buying earlier to obtain better deals.

- In their search for bargains, price-sensitive travellers are increasingly booking their trips through air ticket discounters, with 11% of recent long-haul trips booked through this type of supplier.

- The economic situation has also dramatically shifted the demographics of the long-haul market, with women now accounting for a much greater market share (58%, up from 45% in 1995). This stems largely from the cut-back in combined business-pleasure and incentive travel by Japanese businessmen.

- Not surprisingly, younger travellers and lower income earners have felt the brunt of Japan's economic troubles, and it is these groups who have temporarily curtailed their long-haul travel plans. As a result, today's market tends to consist of older, more affluent travellers who are better able to afford to travel.

- Seniors in particular have remained less affected by the economy, perhaps because many of them are retired and financially self-sufficient. Seniors are less likely to have put their overseas travel plans on hold, and in fact, this segment has more than doubled in size since 1995.

- Young and single, Japan's Office Ladies are among those hit hardest by the economy, and the majority of travellers in this group are waiting until things improve to resume overseas travel. However, their interest in leisure travel remains extremely strong, so there is likely to be much pent-up demand here.

- As Japan's economy recovers, so should its travel market. Already, 1999 has witnessed a 3.5% increase in outbound departures, and Golden Week travel in 2000 was also very strong. Although many of the effects reported here will likely reverse as the economy strengthens (e.g., booking horizons may start to shorten again, family travel may pick up, Office Ladies will resume travelling in force), the increased price-sensitivity of this market is likely to linger (as it has in other international markets that have passed through tough economic times). Destinations will need to be prepared to respond to the continued price-sensitivity of this market in order to ensure future successes.

Japanese Travel to Canada

- This study estimates the size of the potential Japanese long-haul pleasure travel market (to all destinations) at 26.1 million travellers. Approximately 61% of this market is interested in visiting Canada in the next five years, which translates into 15.9 million potential Japanese travellers *to Canada*.

- However, Canada faces numerous barriers to fulfilling this potential in that most Japanese travellers are unaware of what Canada has to offer and of specific things to do and see there. Canada's image in Japan is as a wondrous place to see nature, but it is known for little else.

- Relative to the market as a whole, travel agents and travel guides tend to play a greater role in consumer decision-making and planning for travel to Canada. These will be important channels that marketers can use to reach Japanese travellers and enhance their knowledge about the country.

- Despite the overall trend towards the use of skeleton packages for destinations in Asia and the U.S., the market still favours very comprehensive, all-inclusive type packages for Canada. This may be due to unfamiliarity with Canada, but is probably also due to a lack of available product.

- Future interest in Canada is focused on the Toronto-Niagara Falls region and westward. Although Japanese travellers are beginning to show the inclination to move beyond Ontario to destinations like Montreal and Atlantic Canada, these destinations are not well known in Japan from a tourism point of view and require better awareness marketing and branding.

- Nature is unquestionably the main draw for Japanese visitors, with additional interest in Canada's touring and city products. However, other key products such as outdoors, winter, culture/history or resort products stir little interest in this market and may require considerable awareness building to boost their popularity.

- Canada also suffers from poor price-value perceptions in Japan. It is perceived as being a very expensive, high-end destination that offers less tourism value to consumers than some of its competitors do. These perceptions will need to be mitigated for Canada to improve its position in the marketplace, with price issues being particularly immediate.

- The Middle-Aged (45 to 59) segment offers the best future potential for Canada among the five segments examined in this study in terms of potential volumes and revenues. This segment exhibits a high level of interest in visiting Canada, and is more likely than other groups to perceive Canada as offering good value for a reasonable price.

INTRODUCTION

Study Objectives

- The objective of this study was to conduct a survey of Japanese long-haul pleasure travellers to ascertain the impact of the current economic difficulties on consumers' purchasing patterns. More specifically, the research objectives were to conduct:
  - an examination of Japanese perceptions of overall price/value issues related to Canadian tourism products;
  - an analysis of Japanese consumers' perceptions toward package cost components in Canada and other destinations;
  - an analysis of trip planning and booking patterns;
  - a review of consumers' buying habits in terms of package tour purchases, skeleton packages, etc.;
  - an analysis of consumers' purchasing patterns in terms of travel agents, the Internet, etc.;
  - an examination of trip types being purchased; and
  - an analysis of Japanese consumers' perceptions related to choice of airlines in terms of which airlines are top of mind, who influences the choice of airline and important factors in choosing an airline.
- The study was sponsored by the Canadian Tourism Commission (CTC) and a partnership group including provincial representatives in the Atlantic Canada Tourism Partnership, Ontario, Alberta and B.C., Air Canada, Canadian Airlines, C.P. Hotels and Resorts and JTB International (Canada).
- The research was conducted by PricewaterhouseCoopers Ottawa in conjunction with Japan Research Consultants (JRC) and PricewaterhouseCoopers Tokyo.

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METHODOLOGY

- A telephone survey was conducted in March/April 2000 of 915 Japanese long-haul pleasure travellers (18 years of age or older) in Tokyo, Osaka and Nagoya.
- Long-haul travel was defined as a trip of four nights or longer, by plane, outside Japan.
- The survey quotas and final sample distribution were as follows:

	Quotas	Final Sample
Past travellers to Canada (last 3 years)	200	209
Past travellers to other long-haul destinations (last 3 years)	500	506
Planners who definitely plan to take long-haul trip (next year)	200	200
TOTAL	**900**	**915**

- A random component (n=655) was used to determine travel incidence rates and survey weights. A booster sample (n=260) was necessary to meet the quotas for Canada and planners.
- The survey questionnaire is included as Appendix I, with further methodological details presented in Appendix II.
- Throughout this report, comparisons are made with the 1995 Japan Pleasure Travel Market Study (PTMS), which used a similar methodology to survey n=1,200 long-haul pleasure travellers.

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INCIDENCE RATES FOR LONG-HAUL PLEASURE TRAVEL AND POTENTIAL MARKET SIZE

- As shown on page 10, the ***incidence of long-haul pleasure travel in Japan is 25.5%*** of the adult population. This includes those who have taken a long-haul pleasure trip in the past three years and those who are planning such a trip in the next year. This represents an estimated market of over 26.1 million potential long-haul pleasure travellers in Japan.

- The incidence rate for long-haul pleasure travel (25.5%) is about the same as it was in 1995 (26.1%). The size of the potential market has actually increased (from 24.8 million in 1995 to 26.1 million in 2000), but this is primarily due to growth in the population.

- The fact that the ***incidence rate has not declined substantially between 1995 and 2000*** may be somewhat surprising at first. However, it should be kept in mind that these are two snapshots in time. It is likely that the incidence of long-haul travel actually increased between 1995 and 1997 (overall departures rose 10% during this period), and then fell back down as the recession set in and exchange rates worsened.

- ***Consumers still attach a high value to overseas travel,*** as evidenced by 80% who agree that "overseas travel is a high priority for my leisure time" (see page 10). However, 73% are "waiting until the economy improves to take an overseas holiday" and 31% agree that they are "taking fewer overseas trips now than I used to." This suggests that there is a certain amount of ***pent-up demand in the marketplace*** and that the incidence of long-haul pleasure travel will increase as the economy picks up. This may already be happening, as evidenced by the high number of overseas trips taken during "Golden Week" this year.

- The percent who feel that *"money spent on overseas travel is money well spent"* has declined from 72% in 1995 to 66% in 2000. Given that overseas travel is still highly valued in the marketplace, this decline is likely attributable to the economic pressures and the deterioration of the yen.

- But, there is a strong core of people who have not been affected by the economy and who likely have not curbed their long-haul trip taking, as evidenced by the fact that the percent who *strongly* agree that money spent on overseas travel is well spent has not declined (and in fact *increased* from 23% to 28%). This group has likely sustained the long-haul travel market over the past few years and will likely lead the rebound in the market as the economy improves.

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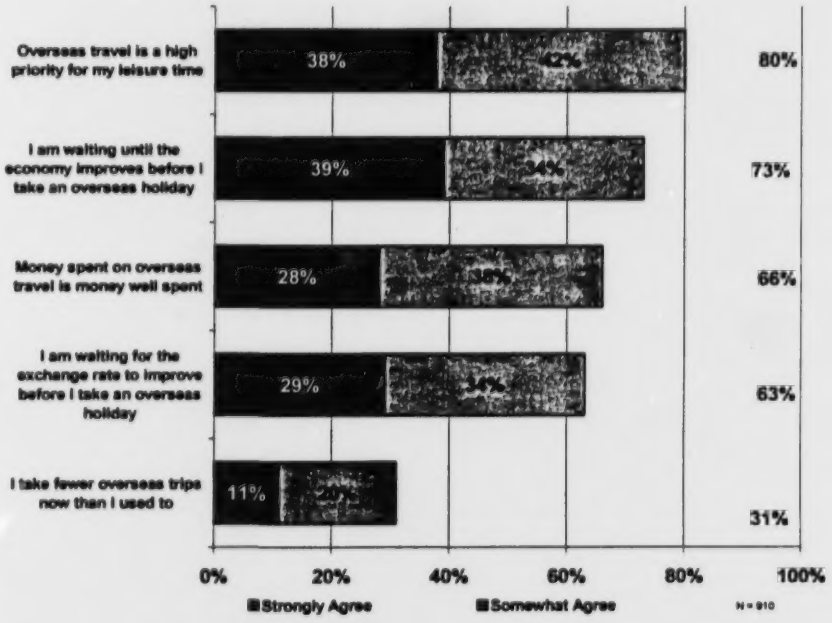
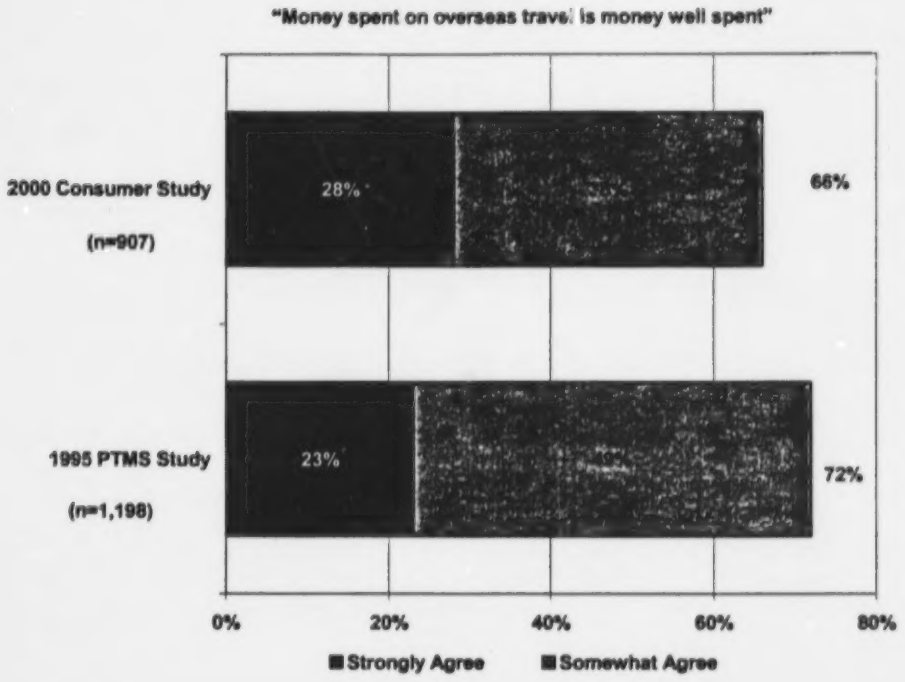
	2000 Consumer Study (n = 915)	1995 PTMS Study (n = 1,200)
Population		
Total Japanese Population	125,860,000	123,611,000
Total Japanese Adult Population (18 years or older)	102,466,000	94,794,000
Incidence Rates		
Pleasure Travellers to Canada (past 3 years)	1.6%	1.7%
Pleasure Travellers to Other Long-Haul Destinations (past 3 years)	19.6%	18.3%
Planners (next year)	4.3%	6.1%
Total Long-Haul Pleasure Travel Incidence	25.5%	26.1%
Potential Market Size		
Total Adult Long-Haul Pleasure Travellers	26,128,000	24,779,000

Attitudes Towards Overseas Travel



Attitudes Towards Overseas Travel - 1995 vs. 2000



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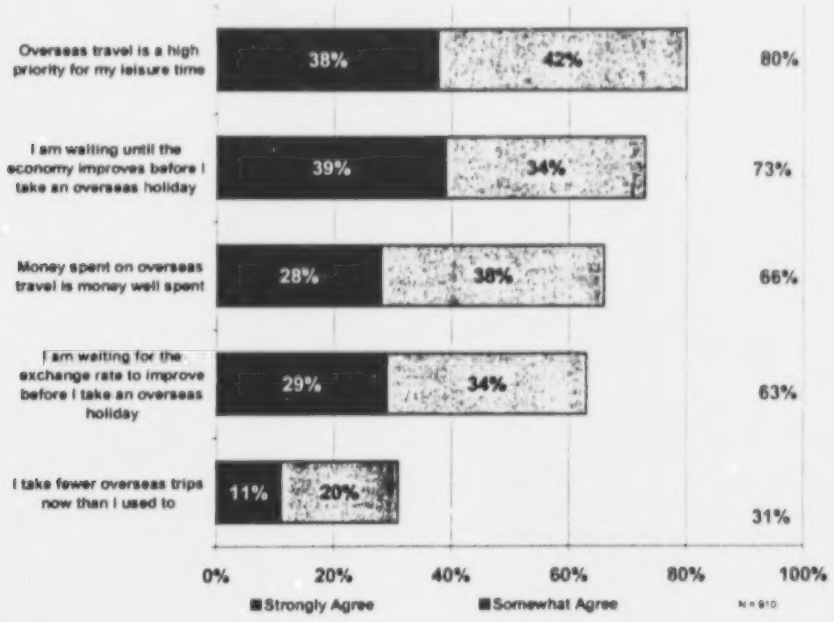
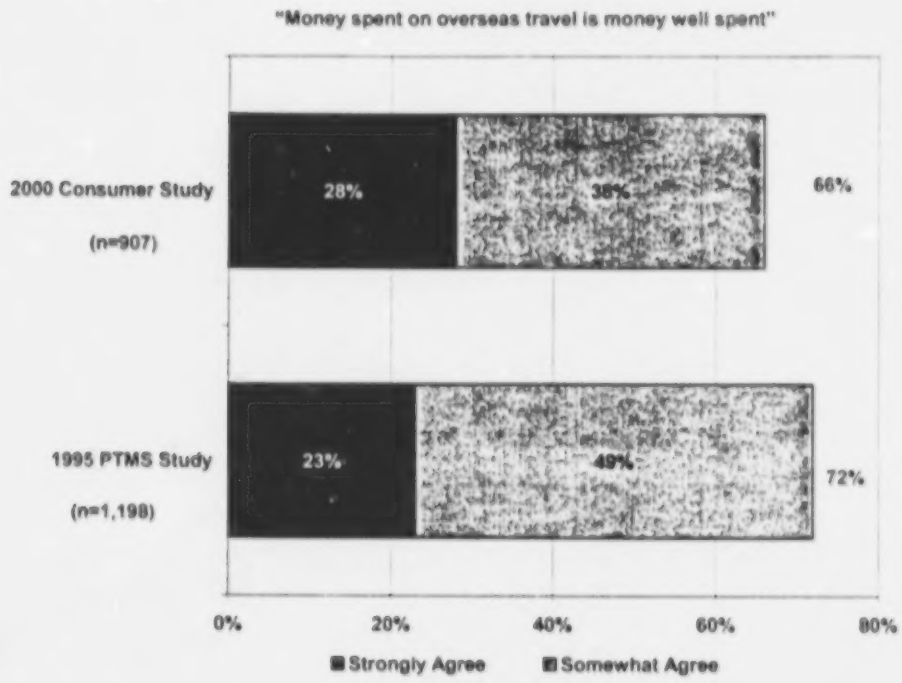


Attitudes Towards Overseas Travel - 1995 vs. 2000



SIZE OF THE POTENTIAL MARKET TO CANADA

- Pages 14 and 15 show the level of interest in visiting Canada among Japanese long-haul pleasure travellers, the size of the potential market to Canada, and some of the key barriers to realizing this potential.

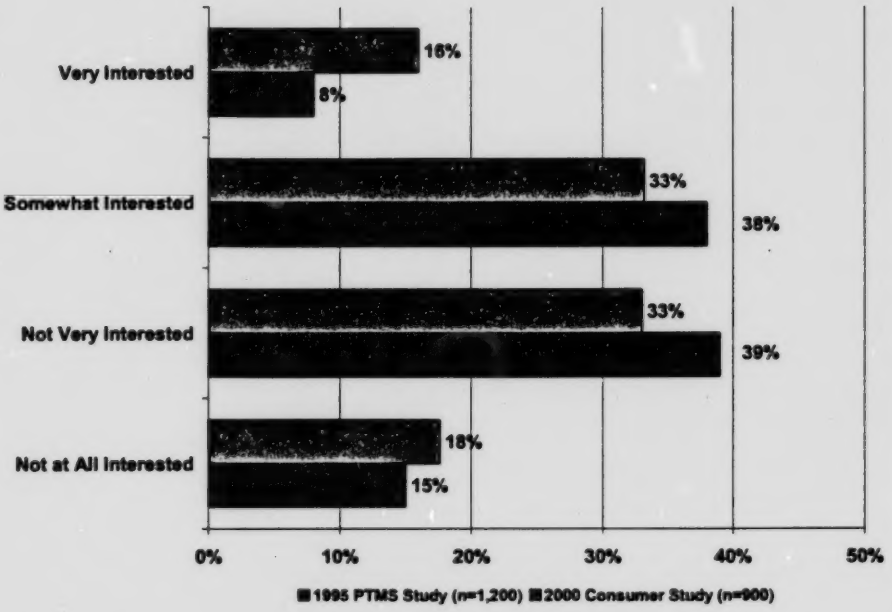
- The proportion of the market that is ***very interested in visiting Canada in the next year is 16%, which is up from the 8% seen in 1995***. However, the reverse trend is seen for the five year time horizon, with those very interested in Canada dropping from 33% to 24%. This may be a consumer confidence issue, with uncertainty about the future making people reluctant to commit to potential travel (to any destination) five years down the road.

- Based on the percentage of long-haul pleasure travellers very or somewhat interested in visiting Canada in the next five years (61%), the size of the ***potential market to Canada is about 15.9 million travellers.***

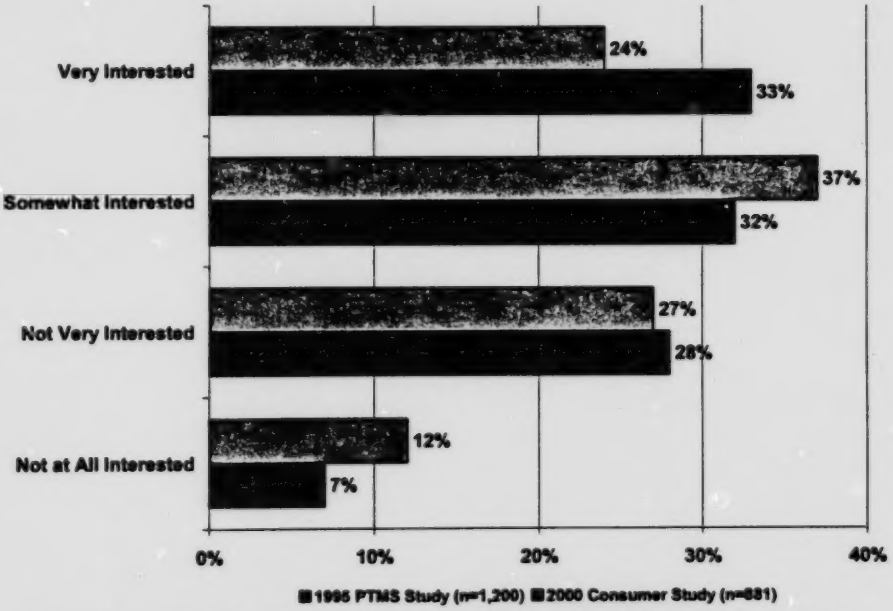
- Among the top barriers to achieving this market potential are lack of interest in Canada (29%), lack of knowledge about Canada (14%), the desire to go somewhere new (12%), perceptions of poor weather (10%) and perceptions that Canada is not an exciting place to visit (10%).

- Several of these barriers can be addressed through improved awareness advertising, particularly those relating to lack of knowledge and lack of things to see and do. Canada also needs to enhance its image in Japan and develop a better brand strategy to counter impressions that it is not interesting or exciting.

Interest in Visiting Canada in the Next Twelve Months - 1995 vs. 2000



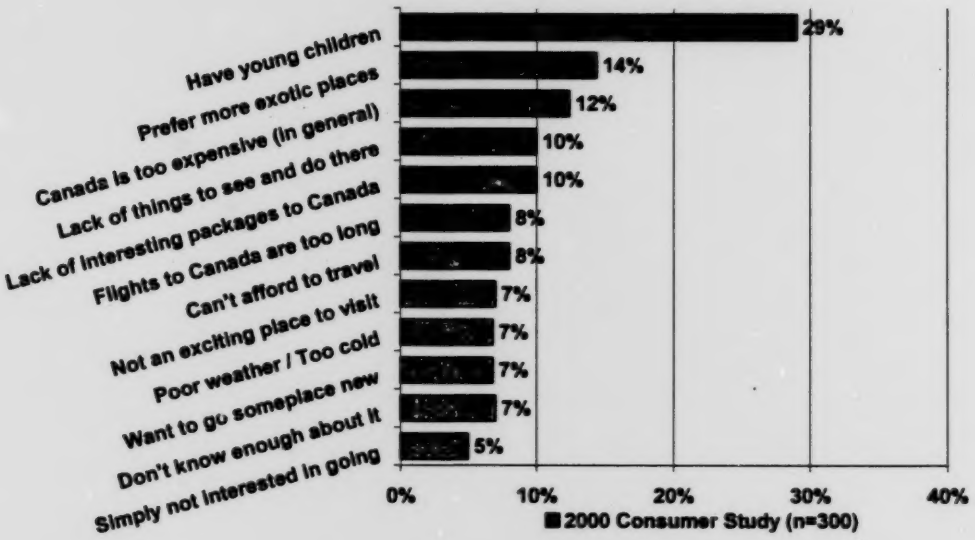
Interest in Visiting Canada in the Next Five Years - 1995 vs. 2000



- Based on this study, the estimated size of the potential Japanese long-haul pleasure travel market (to all destinations) is 26,128,000 travellers.

- Approximately 61% of this market is very or somewhat interested in visiting Canada for pleasure in the next 5 years.
- Therefore the size of the potential market to Canada is 15,938,000 travellers.

Barriers to Achieving Market Potential - Reasons Not Interested in Visiting Canada



Note: Percentages may sum to more than 100% due to multiple responses.

JAPANESE LONG-HAUL PLEASURE TRIP CHARACTERISTICS

- Pages 18 to 22 show the characteristics of the most recent long-haul pleasure trip taken by Japanese travellers. Highlights of these exhibits are summarized below.

- The ***top destinations*** visited by Japanese travellers on their most recent long-haul trip were the mainland ***U.S.*** (19%) and ***Hawaii*** (17%). France, Australia and Italy were also popular destinations (at 9% each). Approximately 7% of travellers visited Canada, ranking it the tenth most popular destination/region for this market.

- Compared with 1995 results, ***travel to Europe is on the rise***. This is supported by data from JATA, which shows strong growth in travel to Europe overall during this period, with Italy, Spain, Switzerland, the Netherlands, Austria and Portugal experiencing some of the healthiest increases.

- ***Pleasure/vacation travel has grown*** (55% to 71%), while combined business-pleasure travel and company-paid vacations have dropped (from 21% to 8%). The sluggish economic climate has led most Japanese companies to clamp down heavily on business travel, including training and incentive trips, which has had a negative impact on business-related pleasure travel.

- There has been a ***strong shift to shorter trips*** — 63% of long-haul pleasure travellers now take trips of a week or less compared with only 47% in 1995. This is no doubt a result of travellers attempting to reduce the overall costs of their long-haul trips.

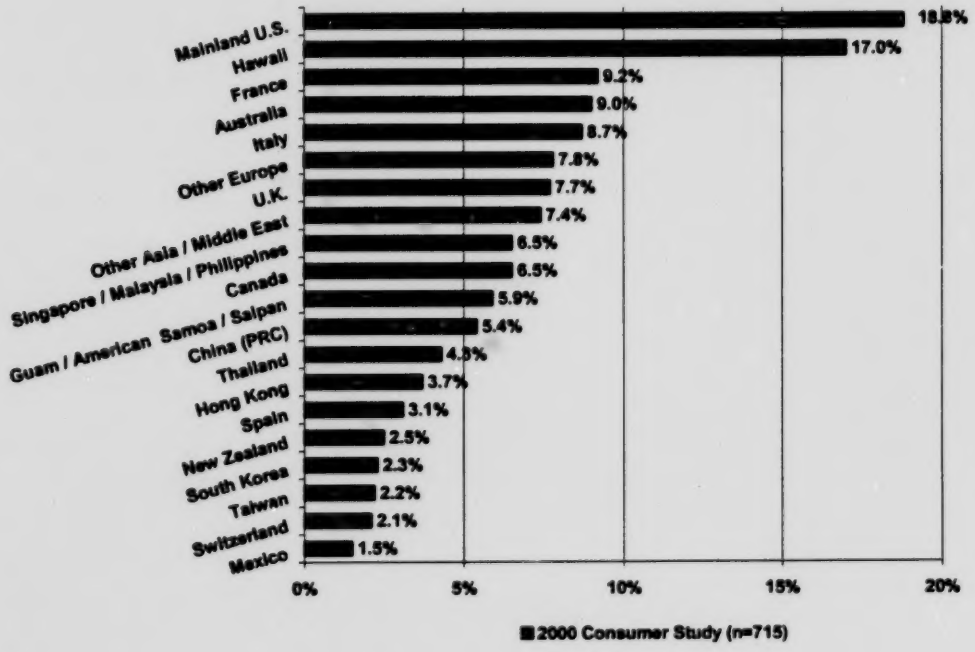
- The composition of the travel party has also shifted, with a notable ***drop in travel with business associates and as an organized group***. The first is obviously related to the drop in combined business-pleasure and incentive-type travel. The second is due to the decline of very large group tours in this market, with smaller group tours and individual tours becoming more popular. There is also less of a tendency to bring children along on long-haul trips, perhaps as a cost-saving measure.

- Long-haul pleasure travellers are now ***spending considerably less*** on their trips. Between 1995 and 2000, the mean total trip expenditures (per party) declined from 633,000 yen to 489,000 yen, a drop of 23%. As a result of the precarious economic conditions, travellers have become more cautious in their spending, seeking out well-priced packages and discount airfares, as well as taking shorter trips. Packages have also come down in price over the last few years, which would contribute to lower expenditures overall.

- Per person per day expenditures also dropped by 7%. This is supported by JTB data showing a decline of 8% in local travel expenditures between 1995 and 1999, as well as a 28% drop in the amount spent on shopping.

- Surprisingly perhaps, the ***use of packages*** for long-haul pleasure travel ***has stayed about the same*** over the last five years (68%). While it is true that some market segments (e.g., repeat travellers) have moved towards FIT travel, package use has remained high because they tend to be popular with middle-aged travellers and seniors who represent growing segments of the market (see page 52). Packaged travel is also managing to retain market share by evolving to become more flexible and customized than the fully-planned itineraries offered in the past.

Top Destinations Visited on Most Recent Long-Haul Pleasure Trip



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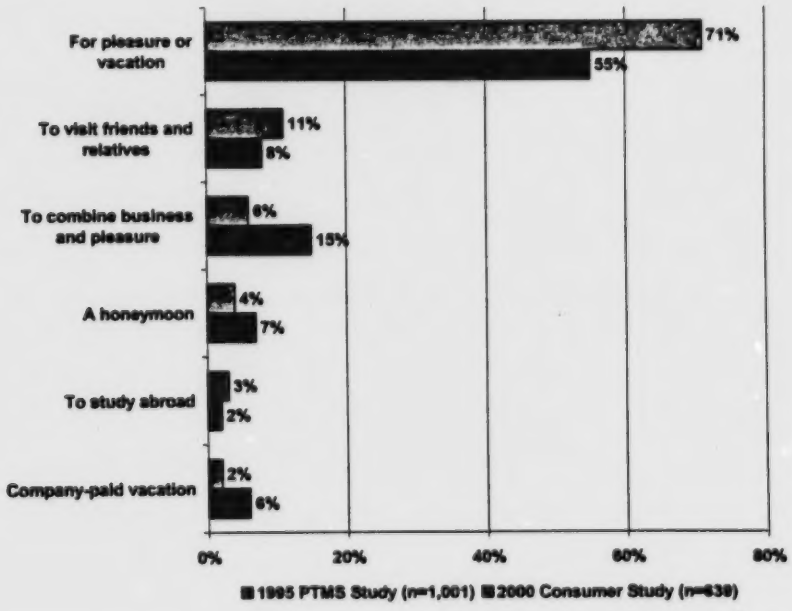
Destinations Visited on Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000

	2000 Consumer Study (n=715)	1995 PTMS Study (n=997)
Destinations Visited on Most Recent Trip		
U.S. (Including Hawaii & Guam)	38%	40%
Other Europe	30%	16%
Australia	9%	9%
U.K.	8%	5%
Singapore / Malaysia / Philippines	7%	7%
Other Asia	7%	6%
Canada	**7%**	**5%**
China (PRC)	5%	4%
Hong Kong	4%	5%
Thailand	4%	3%
New Zealand	3%	2%
South Korea	2%	2%
Taiwan (ROC)	2%	2%

Note: Percentages may sum to more than 100% due to multiple responses.

Main Purpose of Most Recent Trip Taken by Japanese Long-Haul Pleasure Travellers - 1995 vs. 2000



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U.S. (Including Hawaii & Guam)	38%	40%
Other Europe	30%	16%
Australia	9%	9%
U.K.	8%	5%
Singapore / Malaysia / Philippines	7%	7%
Other Asia	7%	6%
Canada	**7%**	**5%**
China (PRC)	5%	4%
Hong Kong	4%	5%
Thailand	4%	3%
New Zealand	3%	2%
South Korea	2%	2%
Taiwan (ROC)	2%	2%

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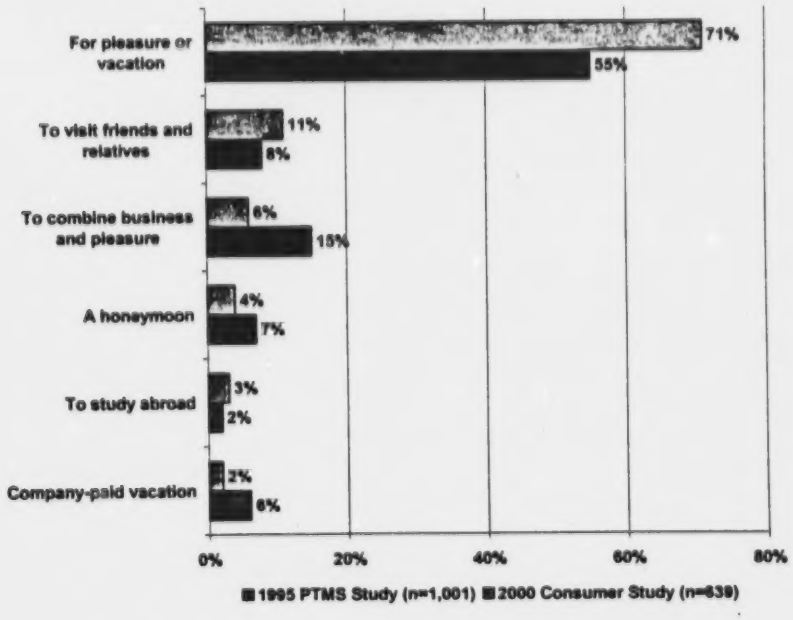
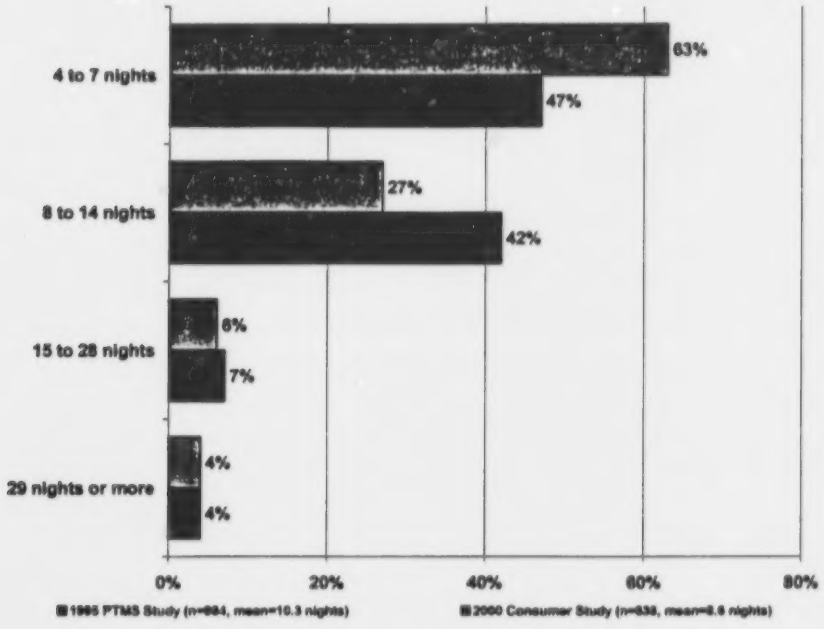
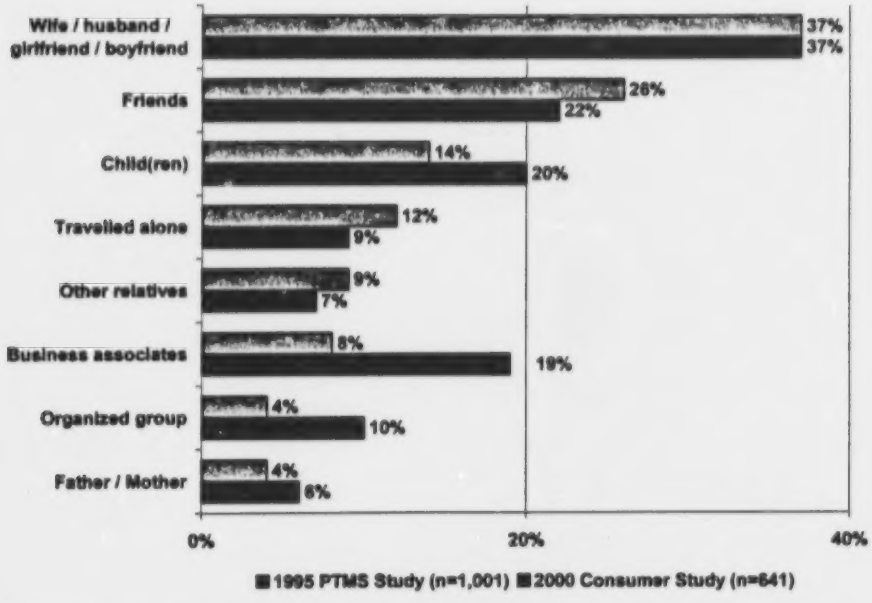


Number of Nights Away From Home on Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000

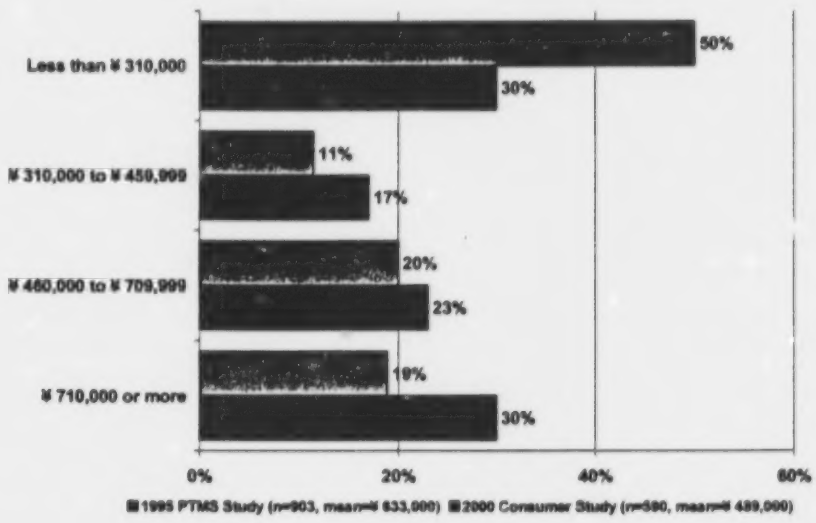


Person(s) Travelled With on Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000



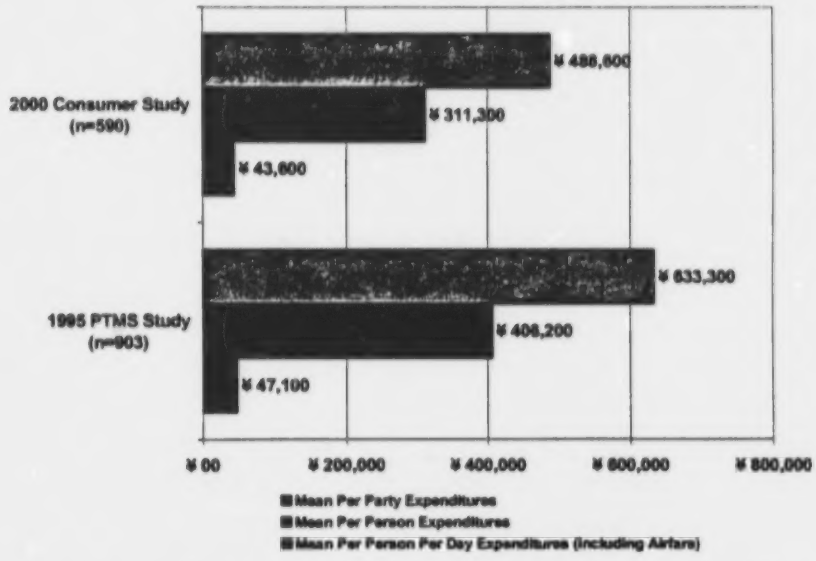
Note: Percentages may sum to more than 100% due to multiple responses.

Approximate Total Trip Expenditures (Per Party) on Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000



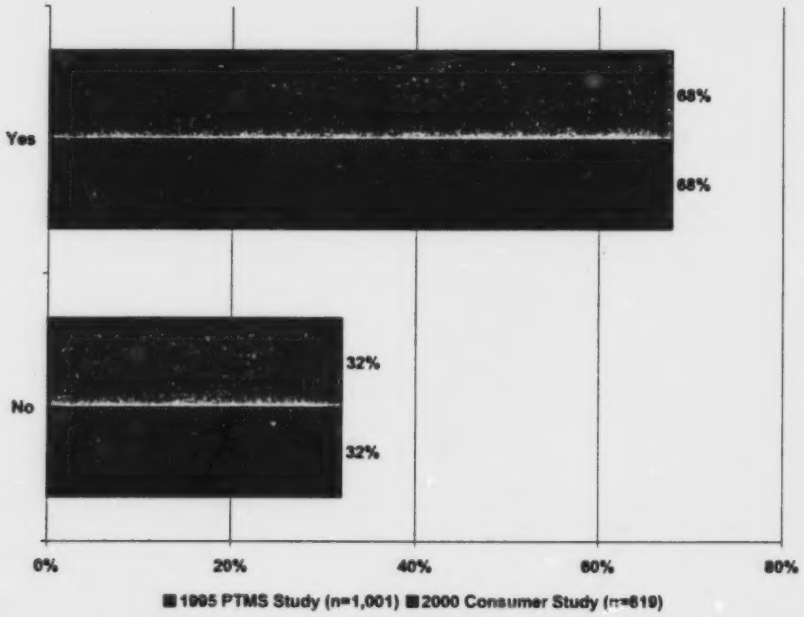
Note: Per party trip expenditures are totals for all people included in the travel budget (1.8 people in 1995 and 1.6 people in 2000).

Average Per Party, Per Person, and Per Person Per Day Expenditures on Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000



Note: Per person and per person per day expenditures were calculated on an individual basis and then averaged over all respondents. Per person per day expenditures include airfare because airfare was not broken out from total trip expenditures in this study.

Use of Packages on Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000



Note: Package use was defined as purchasing accommodation or something else together with the flight before leaving Japan.

JAPANESE PLEASURE TRIPS TO CANADA

- Pages 23 to 26 show the characteristics of recent Japanese pleasure trips to Canada and how these have evolved since 1995.

- The top destinations in Canada for Japanese pleasure travel are Vancouver, Banff, Niagara Falls, Victoria, Toronto, the Rockies and Calgary. The ***western destinations clearly dominate*** Japanese itineraries, with less than 15% of Japanese visitors going east of Toronto to visit destinations such as Montreal, Quebec City and Ottawa.

- ***Trends for Japanese trips to Canada echo those for the market as a whole.*** The share of pleasure trips has grown to 69%, largely at the expense of combined business-pleasure trips, which dropped from 14% to 6%. Similarly, trips to Canada are much shorter now (averaging only 10.4 nights), with total trip expenditures declining by 26% and per person per day expenditures dropping by 17%.

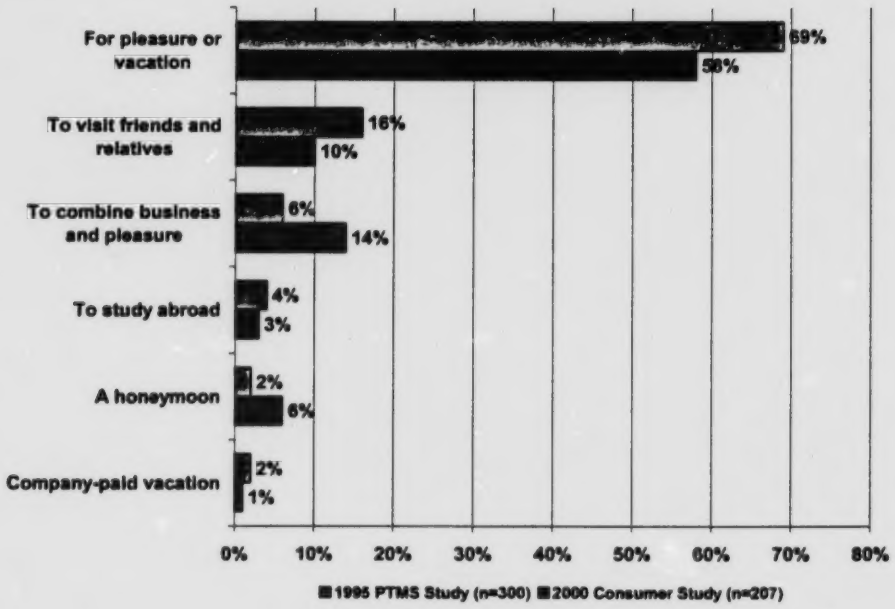
- Interestingly, although total trip expenditures tend to be slightly higher for trips to Canada than for the market overall (514,000 yen vs. 489,000 yen), this is mostly a function of longer trips (10.4 nights for Canada vs. 8.6 nights overall) since ***per person per day spending is actually a little lower for trips to Canada.***

Top Destinations in Canada for Japanese Pleasure Travel

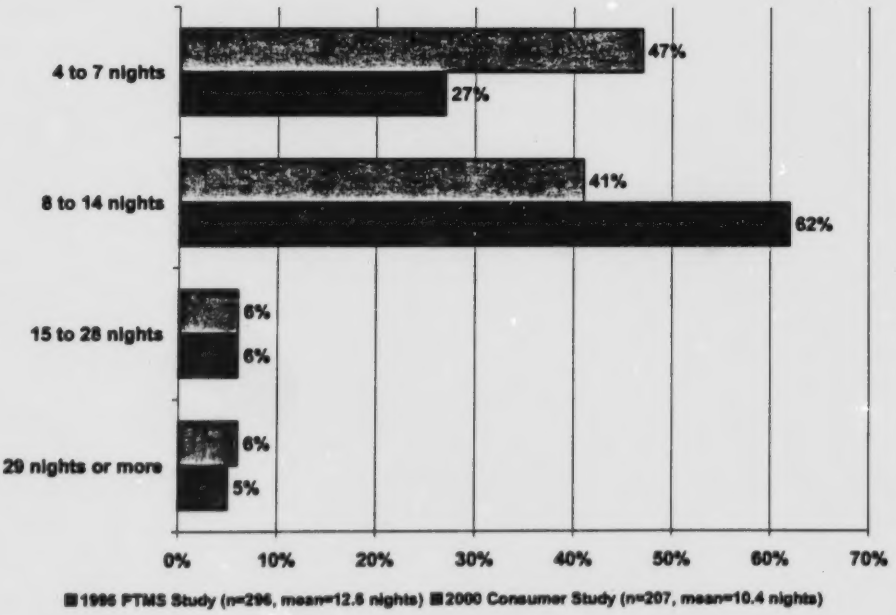
	2000 Consumer Study (n=209)	1995 PTMS Study (n=353)
Destinations Visited on Most Recent Trip to Canada		
Vancouver	75%	56%
Banff	48%	40%
Niagara Falls	48%	34%
Victoria	46%	14%
Toronto	43%	22%
Rockies	37%	N/A
Calgary	29%	17%
Whistler	18%	N/A
Montreal	14%	12%
Quebec City	14%	7%
Ottawa	11%	2%
Anne of Green Gables (PEI)	2%	1%

Note: The 1995 results are not directly comparable to the 2000 figures. In the 2000 study, respondents were read a list of key Canadian destinations; in the 1995 study, answers were top-of-mind responses to an open-ended question. This accounts for the higher mentions in 2000.

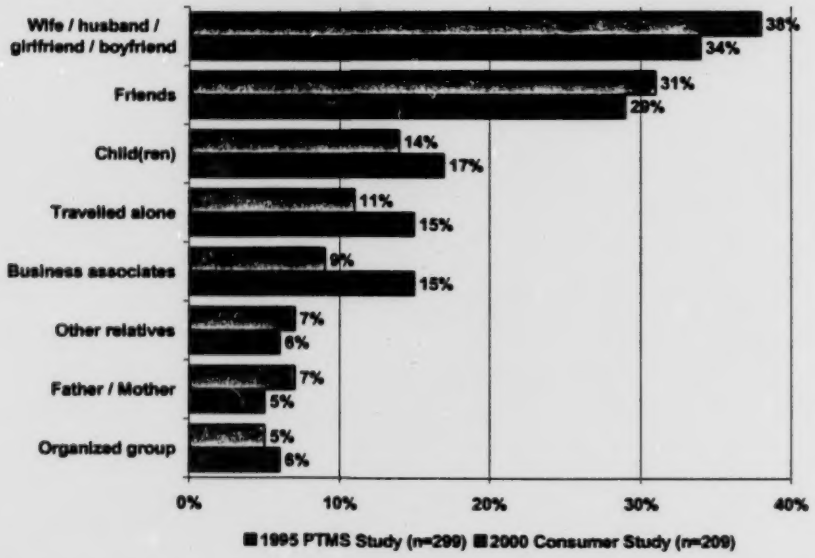
Main Purpose of Most Recent Trip Taken by Japanese Pleasure Travellers to Canada - 1995 vs. 2000



Number of Nights Away From Home on Most Recent Pleasure Trip to Canada - 1995 vs. 2000

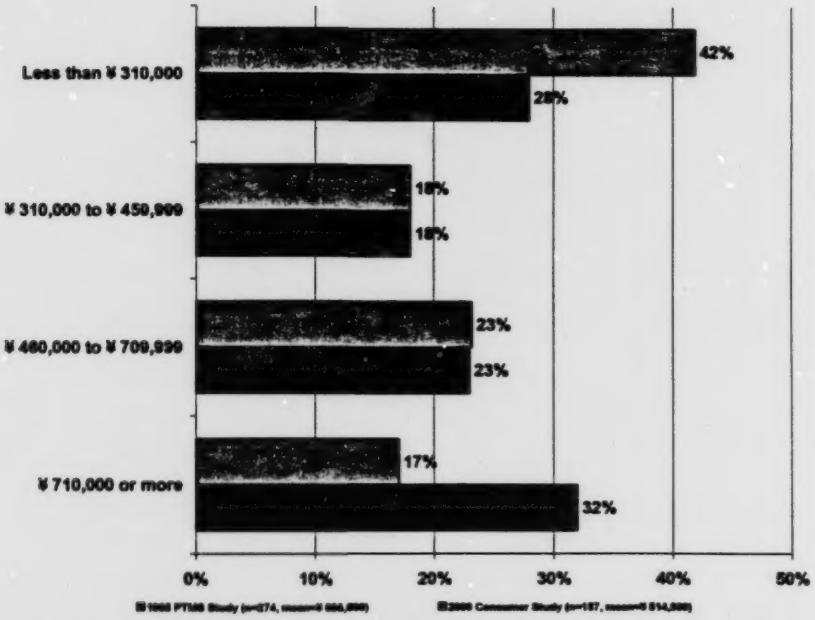


Person(s) Travelled With on Most Recent Pleasure Trip to Canada - 1995 vs. 2000



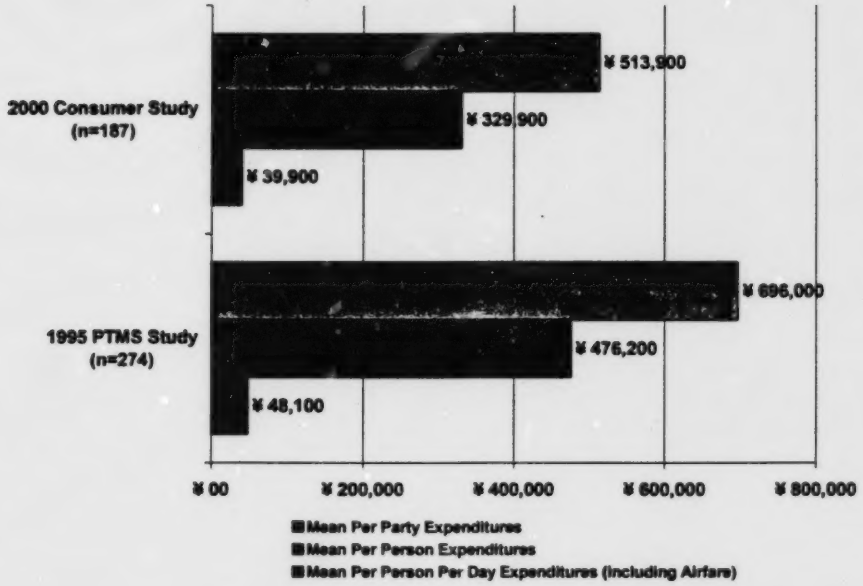
Note: Percentages may sum to more than 100% due to multiple responses.

Approximate Total Trip Expenditures (Per Party) on Most Recent Pleasure Trip to Canada - 1995 vs. 2000



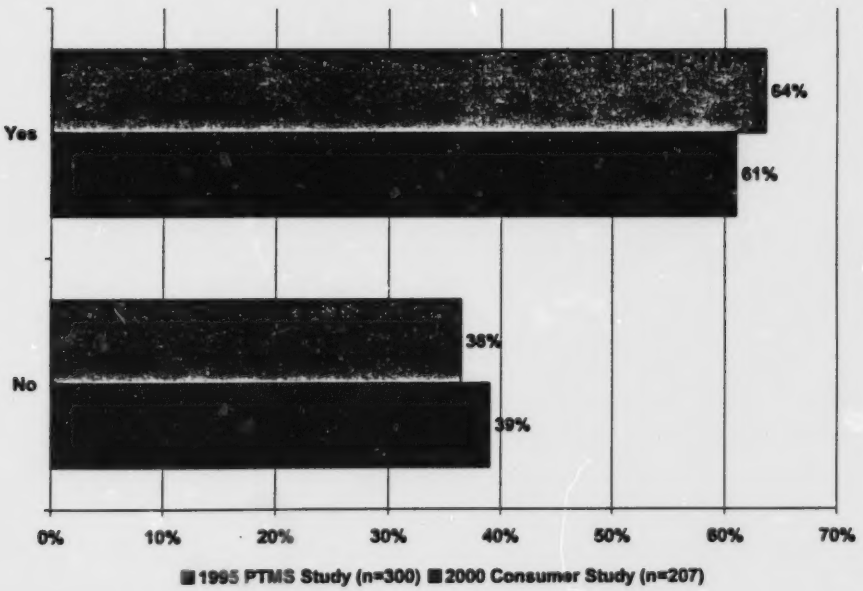
Note: Per party trip expenditures are totals for all people included in the travel budget (1.6 people in both 1995 and 2000).

Average Per Party, Per Person, and Per Person Per Day Expenditures on Most Recent Pleasure Trip to Canada - 1995 vs. 2000



Note: Per person and per person per day expenditures were calculated on an individual basis and then averaged over all respondents. Per person per day expenditures include airfare because airfare was not broken out from total trip expenditures in this study.

Use of Packages on Most Recent Pleasure Trip to Canada - 1995 vs. 2000



Note: Package use was defined as purchasing accommodation or something else together with the flight before leaving Japan.

TRIP DECISION-MAKING, PLANNING AND BOOKING

- The exhibits on pages 28 to 32 depict the study findings related to destination decision-making, planning and booking for Japanese long-haul pleasure trips.

- In the vast majority of cases, the respondent (45%) or their spouse/partner (20%) ***chose the destination for their most recent trip themselves***. This is not surprising given the increasing maturity of this market and the growing sophistication of Japanese travellers. Younger travellers in particular generally have a clear idea of where they want to go and what they want to see.

- Interestingly, ***travel agents were much more influential*** in making the destination decision ***for trips to Canada*** (10%) than for long-haul trips in general (4%), which may be due to less familiarity with Canada as a travel destination among some market segments.

- The top information sources used for planning long-haul trips continue to be brochure/pamphlets (50%) and travel agencies (40%).

- However, compared with 1995, ***travel guides/books, advertisements and the internet have all taken on increased importance*** for trip planning. As the market matures, travellers are becoming more confident with doing their own trip planning, and there are now better tools to help them do this. Many more travel guides with accurate and reliable information on overseas countries are now available in Japan, and although internet use has not spread as rapidly as it has in western countries, uptake has increased notably this past year.

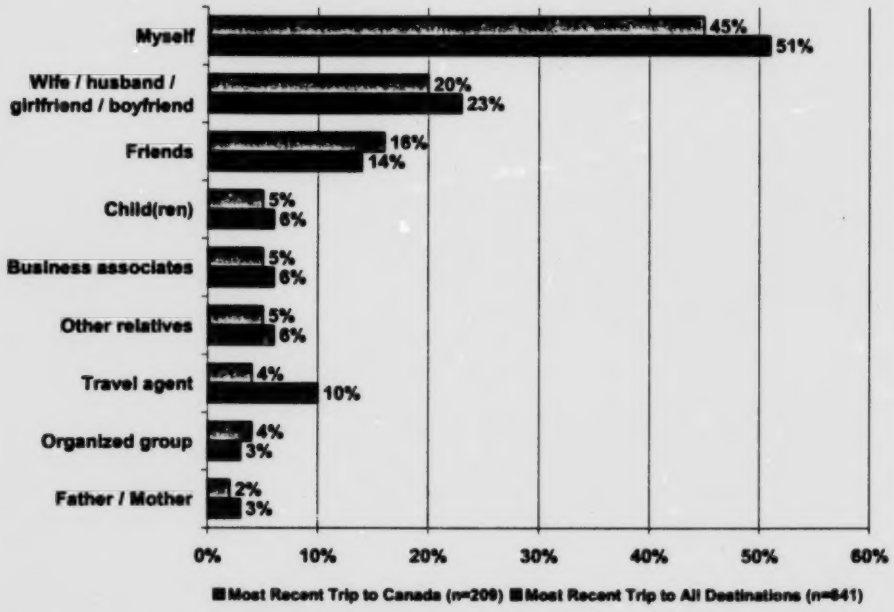
- On the other hand, airlines and business colleagues are now less important information sources than before. It is believed that some travellers are now using the internet instead of contacting airlines directly.

- ***For trips to Canada, travel guides tend to be more important*** for trip planning (40% for Canada vs 26% for long-haul travel as a whole), which again may be due to a general unfamiliarity with Canada as a travel destination as well as what to see and do there.

- The ***booking horizon has lengthened*** since 1995, with long-haul pleasure travellers now booking their trips further in advance (trips are now booked an average of 2.5 months before departure, compared with only 1.8 months in 1995). There are several reasons for this. In the comfortable economic climate of 1995, with the value of the yen at its peak, travellers were more willing to make an impulsive decision to travel than they are today. Moreover, in Japan, the rule is that to get a good deal, it is better to buy early. Consequently the longer booking horizons may be a reflection of today's more price-conscious market.

- The vast majority of long-haul pleasure trips were booked with a travel agent (74%), with 11% booked through a discount air ticket supplier. Only 5% of trips were booked through the internet.

Person(s) who Decided on Destination for Most Recent Long-Haul Pleasure Trip - Canada vs. All Destinations



Note: Percentages may sum to more than 100% due to multiple responses.

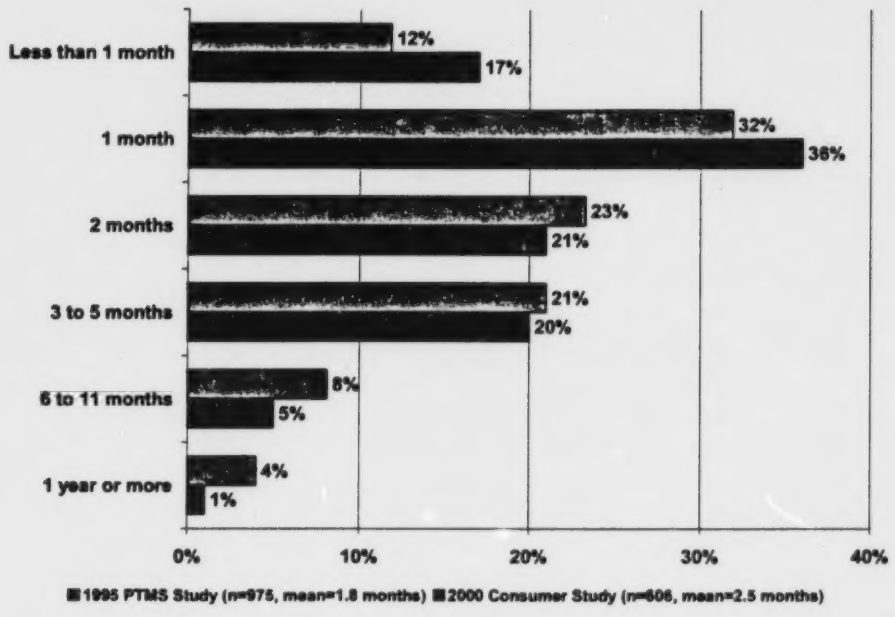
Sources of Information Used for Planning Most Recent Long-Haul Pleasure Trip - 1995 vs. 2000

	2000 Consumer Study (n=608)	1995 PTMS Study (n=1,000)
Three Most Important Sources of Information Used		
Picked up brochures / pamphlets	50%	52%
Talked to a travel agent / tour company	40%	40%
Travel guides / books	30%	22%
Talked to friends / family	28%	33%
Read articles in newspapers / magazines	17%	19%
Advertisements	10%	4%
Internet / website	5%	n/a
Airline	4%	13%
Business colleagues	3%	10%
Government tourism offices / board	2%	3%
Clubs / associations	1%	3%
Movies	1%	1%

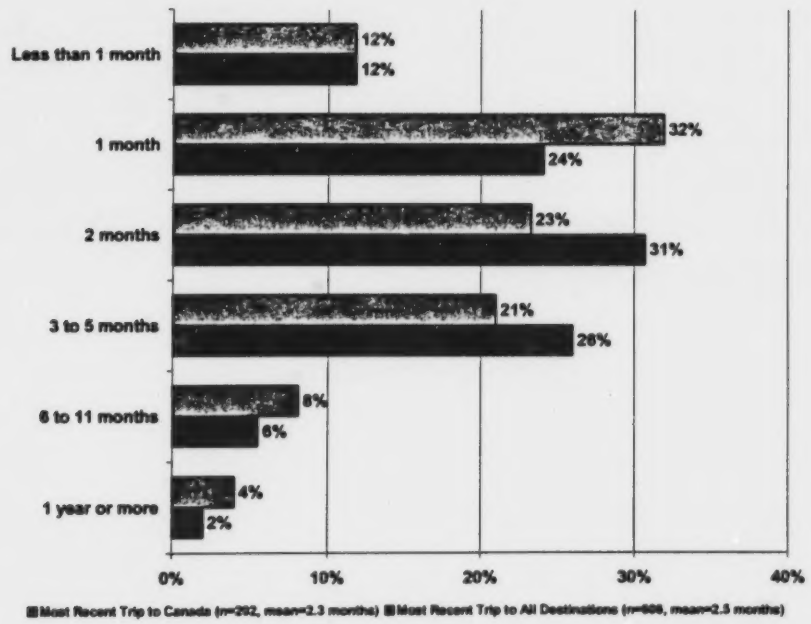
Sources of Information Used for Planning Most Recent Long-Haul Pleasure Trip - Canada vs. All Destinations

	Most Recent Trip to All Destinations (n=608)	Most Recent Trip to Canada (n=203)
Three Most Important Sources of Information Used		
Picked up brochures / pamphlets	50%	60%
Talked to a travel agent / tour company	40%	44%
Talked to friends / family	28%	33%
Travel guides (e.g., Chikyu no Arukikata)	26%	40%
AB-ROAD / travel magazines	9%	9%
Read articles / features in other magazines	6%	2%
Newspaper advertisements	6%	3%
Internet / website	5%	7%
Books / library	5%	6%
Airline	4%	4%
Magazine advertisements	4%	0%
Business colleagues	3%	4%
Read articles / features in newspapers	3%	2%
Government tourism offices / board	2%	2%
Information received in the mail	1%	2%
Movies or TV shows	1%	1%
Clubs / associations	1%	0%

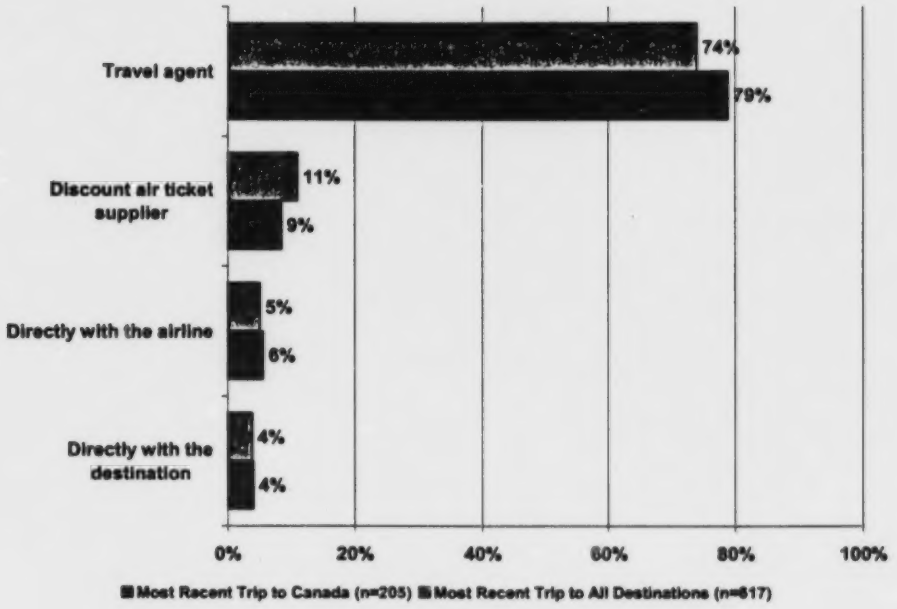
Amount of Time Before Departure When Most Recent Long-Haul Pleasure Trip Was Booked - 1995 vs. 2000



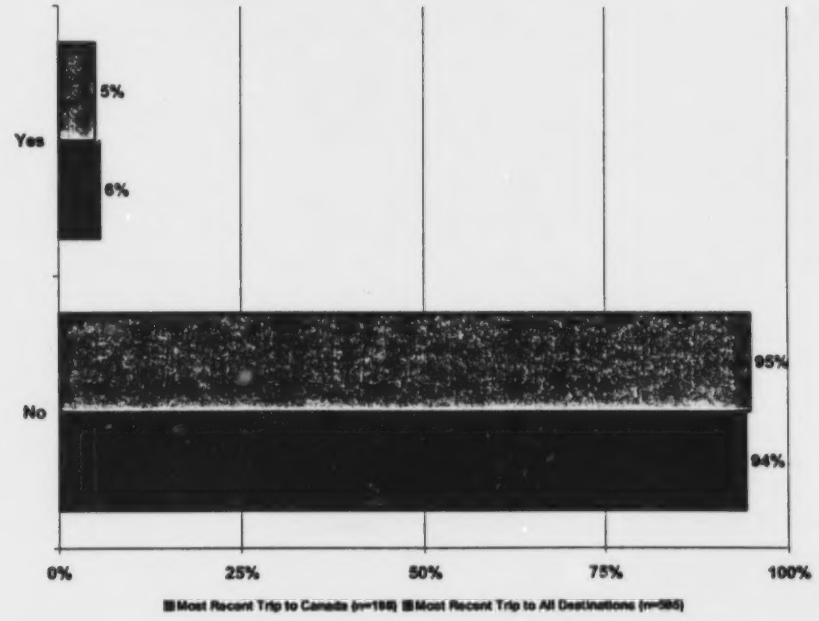
Amount of Time Before Departure When Most Recent Long-Haul Pleasure Trip Was Booked - Canada vs. All Destinations



Where Most Recent Long-Haul Pleasure Trip Was Booked - Canada vs. All Destinations



Use of Internet for Booking Most Recent Long-Haul Pleasure Trip - Canada vs. All Destinations



Trip Components Booked Through the Internet for Most Recent Trip to All Destinations

- Trip components booked through the Internet (n=27):
  - Accommodation (13 respondents)
  - Airfare to the destination (10 respondents)
  - Entire trip (4 respondents)
  - Transportation within the destination (3 respondents)
  - Entertainment (1 respondent)
  - Rental car (1 respondent)
  - Other components (1 respondent)

Notes: Results should be interpreted with caution due to the small sample size. Sample size for Canada is too small for analysis (n=9).

PACKAGING JAPANESE TRAVEL TO CANADA

- Pages 34 to 40 look at packaging travel to Canada, with data drawn from travellers interested in visiting Canada in the next five years (n=561).

- Overall, 70% of potential travellers to Canada were very (38%) or somewhat (32%) likely to use a package on a future pleasure trip to Canada. Accommodation in Canada and airfare within Canada were the two package components most likely to be purchased in Japan ahead of time (by over 90% of travellers). A tour guide, other transportation within Canada, city sightseeing tours and meals were other popular package components.

- Despite the overall trend towards the use of skeleton packages for destinations in South-East Asia, Hawaii and the mainland U.S., the ***market still favours very comprehensive, all-inclusive type packages for future pleasure travel to Canada***. This may be partly a result of unfamiliarity with Canada as a vacation destination, but may also be because the attractions that Japanese tourists want to see in Canada are spread over such a great distance that a fully organized package tour is viewed as being more convenient and cost-effective. There may also be fewer skeleton type packages available to Canada than to other destinations. The only type of skeleton package with any real popularity in this market is one with airfare and accommodation in Canada purchased together with the flight to Canada.

- The destination region that Japanese travellers are ***most likely to visit*** on a future pleasure trip to Canada is the ***Toronto-Ottawa-Niagara Falls region*** (36%), followed by Vancouver-Victoria (20%) and Banff-Rockies (19%).

- In addition, 11% named Montreal-Quebec and 8% cited Atlantic Canada as the region they would most like to visit, which suggests that there may be ***some interest in moving beyond the west coast*** to the rest of Canada (especially among repeat travellers). However, in general, these destinations are not well known in Japan from a tourism point of view, and need better marketing and stronger branding to enhance their share of the market.

- In terms of preferred destination combinations, the Toronto, Vancouver and Banff regions are invariably linked together in the minds of Japanese consumers, i.e., those that are likely to visit one of these regions usually want to see the others as well. Interestingly, travellers that are most likely to visit Montreal-Quebec would like to see this destination combined with Atlantic Canada (as well as Toronto and Banff).

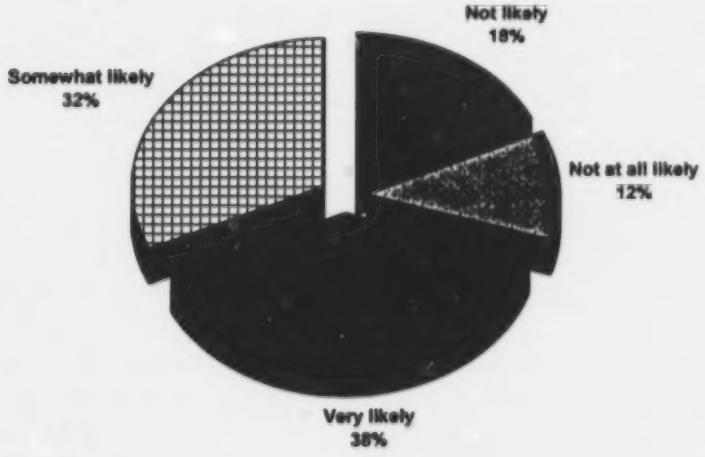
- When packaging destinations for this market, it should be kept in mind that only 8% of Japanese long-haul pleasure travellers are interested in cross-Canada tours. ***The market is more likely to be interested in a dual-region product (63%), with Central-West packages being likely to generate the greatest interest (41%)***. Roughly 27% of the market is interested in a product that takes them to only one region of Canada, with the Central (14%) and West (10%) regions being the most popular.

- Japanese travellers are ***most likely to take a nature viewing trip to Canada*** (44%), followed by a touring trip (25%) and a city trip (10%). However, they are less likely to be drawn to Canada for its outdoors, winter, culture/history or mountain/country resort products. This suggests that the Japanese market continues to perceive Canada largely as a place to view "grand nature."

- Those who are interested in taking a nature trip to Canada are also interested in touring, cultural activities and resort stays, which suggests there are opportunities to package these products together. However, seeing nature is a common interest of Japanese travellers to Canada regardless of their primary trip purpose, since those who are interested in touring trips and city trips also tend to be highly interested in combining these trips with nature-based activities.

- Regardless of the type of trip being taken, the Central-West regional combination is the most popular geographic combination. Not surprisingly, however, those who want to take a touring trip show greater interest than other travellers in cross-Canada products.

Likelihood of Using a Package for Future Pleasure Trip to Canada



Base: Those interested in visiting Canada in the next five years (n=561). Note: Package use was defined as purchasing accommodation or something else together with the flight before leaving Japan.

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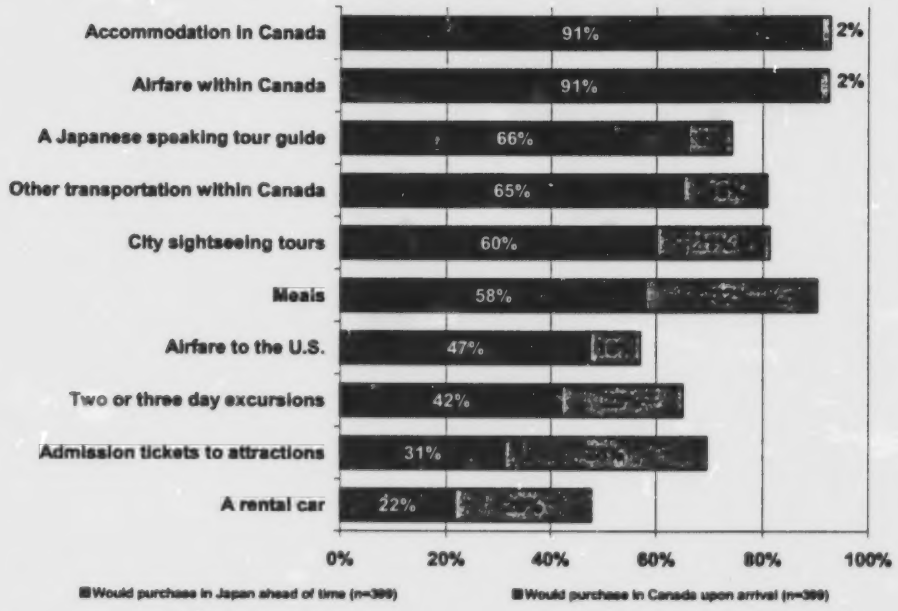
Preferred Package Components for Future Pleasure Trip to Canada



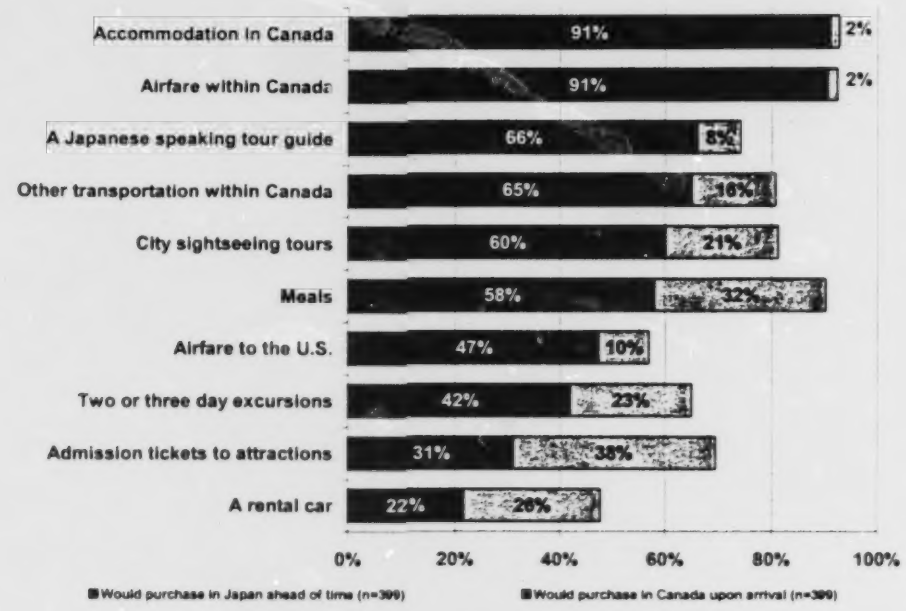
Base: Those interested in visiting Canada in the next five years who are very or somewhat likely to use a package.

Top Package Component Combinations for Future Pleasure Trip to Canada

Type of Package	1	2	3	4	5	6	7	8	9
Package Components Purchased in Japan (n=399)									
Airfare within Canada	✔	✔	✔	✔	✔	✔	✔	✔	✔
Other transportation within Canada	✔	✔	✔	✔	✔		✔	✔	✔
Airfare to the U.S.	✔	✔					✔	✔	✔
Accommodation within Canada	✔	✔	✔	✔	✔	✔	✔	✔	✔
Meals	✔	✔	✔	✔	✔			✔	✔
A Japanese speaking tour guide	✔	✔	✔	✔	✔			✔	✔
A rental car	✔								
City sightseeing tours	✔	✔	✔	✔	✔		✔	✔	✔
Overnight excursions	✔	✔			✔				✔
Admission tickets	✔			✔	✔				✔
% of market who would select this combination	**4.8%**	**4.5%**	**3.8%**	**3.3%**	**3.2%**	**2.7%**	**2.4%**	**2.3%**	**2.1%**

Base: Those interested in visiting Canada in the next five years who are very or somewhat likely to use a package.
Note: This analysis presents another way of looking at the results from the above chart on which package components respondents would purchase ahead of time in Japan for their trip to Canada. Because the question was posed as being for a specific trip to Canada, the assumption is that all the components indicated would be purchased as a single package. The most popular combinations of components are shown here.

Preferred Package Components for Future Pleasure Trip to Canada



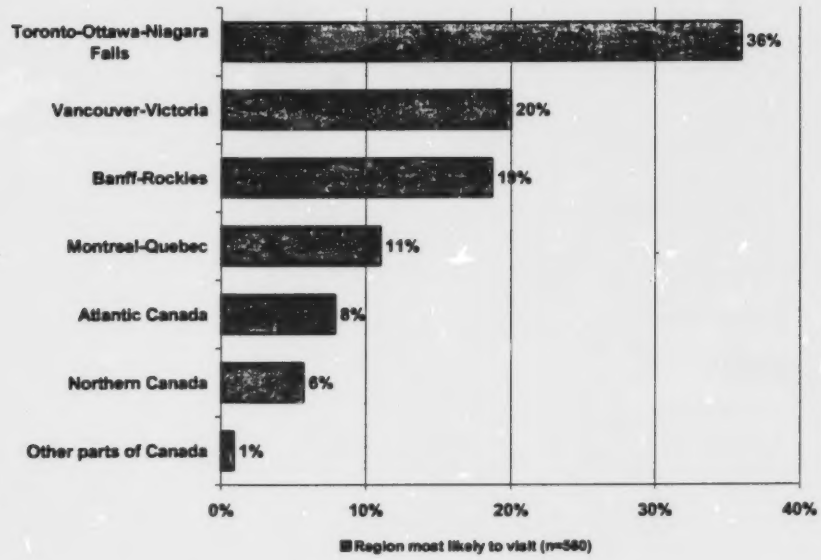
Base: Those interested in visiting Canada in the next five years who are very or somewhat likely to use a package

Top Package Component Combinations for Future Pleasure Trip to Canada

Type of Package	1	2	3	4	5	6	7	8	9
Package Components Purchased in Japan (n=399)									
Airfare within Canada	✔	✔	✔	✔	✔	✔	✔	✔	✔
Other transportation within Canada	✔	✔	✔	✔	✔		✔	✔	✔
Airfare to the U.S.	✔	✔					✔	✔	✔
Accommodation within Canada	✔	✔	✔	✔	✔	✔	✔	✔	✔
Meals	✔	✔	✔	✔	✔			✔	✔
A Japanese speaking tour guide	✔	✔	✔	✔	✔			✔	✔
A rental car	✔								
City sightseeing tours	✔	✔	✔	✔	✔		✔	✔	✔
Overnight excursions	✔	✔			✔				✔
Admission tickets	✔			✔	✔				✔
% of market who would select this combination	**4.8%**	**4.5%**	**3.8%**	**3.3%**	**3.2%**	**2.7%**	**2.4%**	**2.3%**	**2.1%**

Base: Those interested in visiting Canada in the next five years who are very or somewhat likely to use a package
Note: This analysis presents another way of looking at the results from the above chart on which package components respondents would purchase ahead of time in Japan for their trip to Canada. Because the question was posed as being for a specific trip to Canada, the assumption is that all the components indicated would be purchased as a single package. The most popular combinations of components are shown here

Region Most Likely to Visit on Future Pleasure Trip to Canada



Base: Those interested in visiting Canada in the next five years.

Destination Packaging - Other Destinations Would Like to Visit by Preferred Destination

- Of those likely to take a trip to Canada, 7% indicated that they were also likely to visit the U.S. on the same trip.
- Five percent (5%) indicated that they would visit countries other than the U.S. on their trip to Canada.

Top Destinations	Toronto-Ottawa-Niagara Falls (n=171)	Vancouver-Victoria (n=109)	Banff-Rockies (n=104)	Montreal-Quebec* (n=51)
Other Destinations Would Like to Visit				
Vancouver-Victoria	41%	-	28%	18%
Banff-Rockies	40%	46%	-	32%
Toronto-Ontario-Niagara Falls	-	46%	50%	34%
Montreal-Quebec	21%	28%	21%	-
Atlantic Canada	17%	21%	24%	34%
Northern Canada	11%	9%	9%	8%
Other parts of Canada	1%	1%	3%	5%

*Notes: How to read table - Of those who indicated that they were most likely to visit Toronto-Ottawa-Niagara Falls (n=171), 41% would like to visit Vancouver-Victoria on the same trip. Percentages may sum to more than 100% due to multiple responses. * Caution should be used in interpreting these results due to the small sample size.*

Destination Packaging - Top Destination Combinations

Destination Combination (n=560)	1	2	3	4	5	6	7	8	9
Vancouver-Victoria		✔		✔					✔
Banff-Rockies	✔			✔			✔		✔
Toronto-Ottawa-Niagara Falls	✔	✔	✔		✔	✔		✔	✔
Montreal-Quebec						✔	✔		
Atlantic Canada – Anne of Green Gables					✔				
Northern Canada								✔	
% interested in this destination combination	**14%**	**11%**	**6%**	**6%**	**6%**	**5%**	**4%**	**4%**	**3%**

Base: Respondents likely to take a trip to Canada in the next five years.

M121

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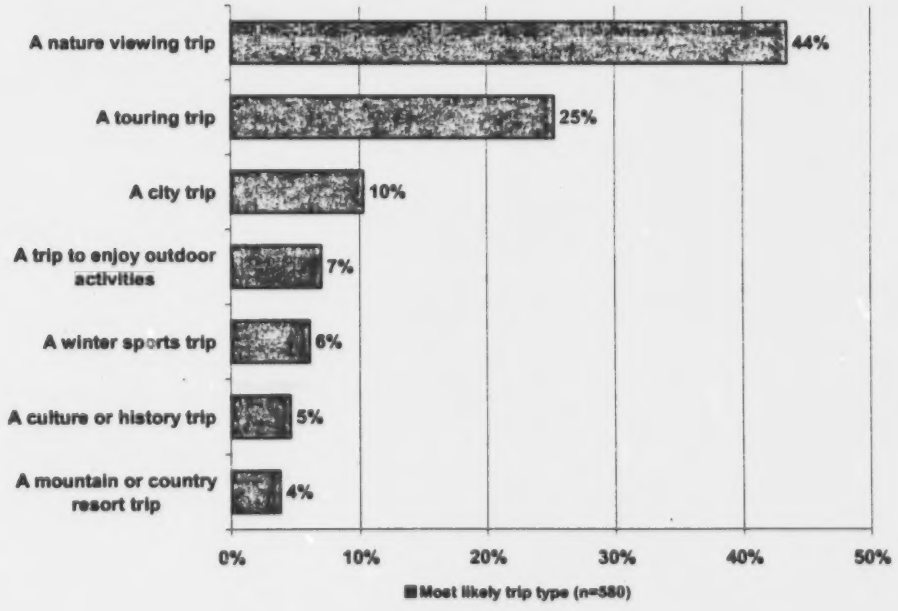
Destination Packaging - Regional Combinations

	% of those likely to take a trip to Canada interested in this regional combination(n = 560)
One Region Trip	**27%**
Central only	14%
West only	10%
East only	2%
North only	1%
Two Region Trip	**63%**
Central-West	41%
Central-East	9%
West-East	5%
Central-North	4%
West-North	3%
East-North	1%
Cross-Canada Trip	**8%**
East-Central-West	6%
East-Central-West-North	2%

Trip Type Most Likely to Take on Future Pleasure Trip to Canada



Base: Those interested in visiting Canada in the next five years.

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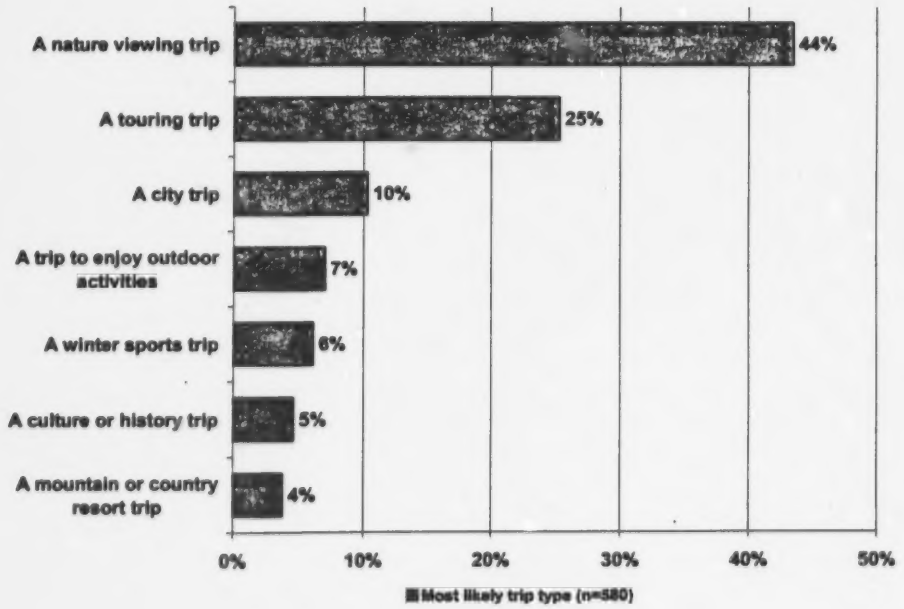


Base: Those interested in visiting Canada in the next five years.

Destination Packaging – Top Product Combinations

Top Trip Types	A nature viewing trip (n=218)	A touring trip (n=134)	A city trip* (n=52)
Other Activities Interested in Doing			
City sightseeing	6%	6%	-
Touring	**37%**	-	**24%**
Nature viewing activities	-	**58%**	**50%**
Outdoor activities	15%	11%	5%
Staying at a resort area	**25%**	18%	13%
Cultural or history-related activities	**28%**	**24%**	13%
Winter sports	9%	7%	10%

Notes: How to read table - Of those who indicated that they were most likely to take a nature viewing trip to Canada (n=218), 37% were also interested in touring on this trip.
** Caution should be used in interpreting these results due to the small sample size.*
Sample sizes for other trip types were too small for analysis.

Product Region Combinations – Top Regional Combinations by Trip Type

Product Combination (n=580)	1	2	3	4	5	6	7	8	9	10	11	12
City sightseeing						✔						✔
Touring	✔						✔		✔	✔	✔	✔
Nature viewing	✔	✔	✔	✔	✔	✔		✔	✔			
Outdoor activities					✔							
Staying in a resort		✔									✔	
Cultural/history activities			✔				✔		✔			
Winter sports								✔				
% interested in this product combination	**18%**	**8%**	**7%**	**6%**	**6%**	**6%**	**5%**	**5%**	**4%**	**3%**	**3%**	**2%**

Notes: How to read table - Of those who indicated that they were most likely to take a nature viewing trip to Canada (n=218), 37% were also interested in touring on this trip.
** Caution should be used in interpreting these results due to the small sample size.*
Sample sizes for other trip types were too small for analysis.

Product-Region Combinations - Top Regional Combinations by Trip Type

Top Trip Types		
A nature viewing trip (n=218)	A touring trip (n=134)	A city trip* (n=52)
Central-West (45%)	Central-West (40%)	Central-West (44%)
Central Only (14%)	Central Only (14%)	Central Only (17%)
Central-East (10%)	West Only (11%)	West Only (12%)
	Cross Canada excl. North (10%)	West-East (12%)

Notes:
** Caution should be used in interpreting these results due to the small sample size.*
Sample sizes for other trip types were too small for analysis.

PRICE-VALUE PERCEPTIONS

- Pages 43 to 46 address issues related to price and value, including the price-value perceptions that Japanese travellers have of key long-haul destinations.

- The top ***value-related*** attributes in selecting an overseas holiday destination (i.e., the attributes that respondents would be willing to pay a little more for) were a safe and clean environment (70% rated this very important), seeing something new and different (66%), experiencing a different culture (65%), good service and friendly people (62%) and nice scenery (62%). While safety, cleanliness and scenery have always been important to Japanese travellers, the desire to experience new things and different cultures is perhaps the signs of a more mature travel market.

- Relative to other key long-haul destinations, Canada was well-perceived on nice scenery and safety/cleanliness, both of which are extremely important to this market. However, Canada was poorly rated on many other value-related attributes, including high quality accommodation, a variety of things to see and do, a different culture, indulging in luxury, all-inclusive packages, having fun/being entertained and good shopping.

- These value perceptions are largely due to low awareness of Canada as a vacation spot in Japan. Canada is perceived as a nice, safe, clean, peaceful destination of great beauty and wondrous nature, but is not well known for anything else.

- The top ***price-related*** attributes in choosing an overseas holiday destination were the cost of accommodation (63% rated this very important), good prices for shopping (56%), good prices for food and entertainment (52%) and inexpensive airfare to the destination (47%).

- ***Canada was very poorly perceived with respect to price***, being ranked in last place or close to last compared with other key long-haul destinations on all of the price-related attributes. The 1995 PTMS study also found that Canada was generally perceived as an expensive destination to visit. These perceptions may be largely driven by the lack of well-priced packages to Canada, particularly given that these tend to be fully organized, all-inclusive type products, rather than less costly skeleton packages.

- Page 45 summarizes the market perceptions of price vs. value for the five key long-haul destinations examined in a price-value plot. The plot shows that ***Hawaii is favourably perceived for price, while Italy is extremely well-positioned for value.*** Hawaii is relatively close to Japan, which helps keep airfare costs down, but in addition, high competition on the Pacific route has made for very competitively-priced packages to this destination. Italy is currently booming as a Japanese vacation spot in light of its emerging popularity as a food and fashion destination (e.g., many brand shops), and is also very well marketed in Japan.

- Relative to the other four destinations, Canada's position on the price-value perceptions plot is fairly poor, i.e., very poor in terms of cost, and only slightly better in terms of value. However, as will be seen later in the report, certain segments of the market have better price-value perceptions of Canada than others, and these are the segments that Canada will likely want to target.

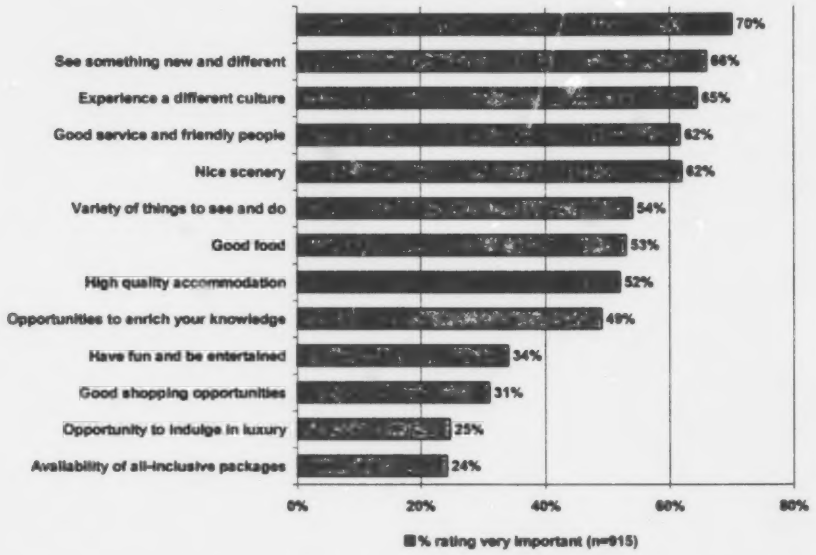
- Pages 45 and 46 show the average total expenditures on recent trips to various long-haul destinations vs. the value received on these trips, as measured by value for money ratings of the destination and likelihood to return. In other words, these plots are based on actual travel experiences to the destinations rather than on traveller perceptions. So in reality, travellers spend less on trips to Canada than on those to Europe, with expenditures being roughly on par with trips to the U.S. And based on actual travel experiences, Canada is at the top of the pack for value, being ranked first in terms of value for money and second in terms of likelihood of returning.

- These findings strongly suggest that there are perceptual issues in Japan that need to be addressed -- general perceptions in the marketplace as a whole are somewhat poor, but the experiences of actual travellers to Canada is very good, particularly with respect to the "value" of the trip.

- Perceptions that Canada is expensive may simply be tied to the lack of lower-priced, skeleton packages to Canada on offer in Japan, so the starting cost itself may be a perceptual barrier, although the total amount spent on the trip may ultimately end up being similar to that for other destinations. Developing skeleton packages might address this issue, as well as respond to current packaging preferences among some market segments.

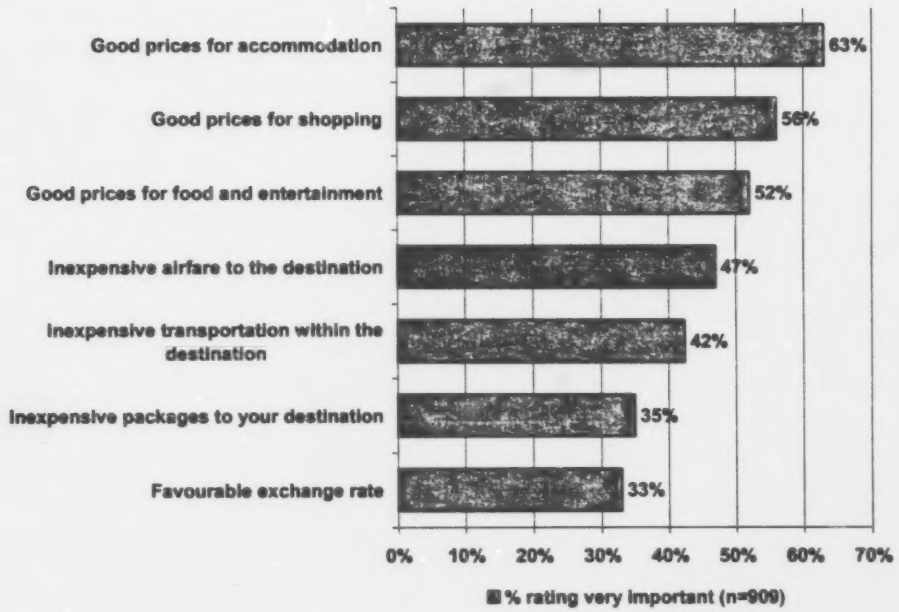
- In terms of value, Canada could certainly strengthen its overall perceptual positioning and attract new travel segments by branding itself as a unique destination for culture. This might also help to enhance its image as a place to see something new and different and improve its reputation as a place with a variety of things to see and do (e.g., culture as well as nature).

Importance of Value-Related Attributes in Selecting an Overseas Holiday Destination



Note: An important attribute was defined as one that respondents would be willing to pay a little more to go to a destination that offered it.

Importance of Price-Related Attributes in Selecting an Overseas Holiday Destination

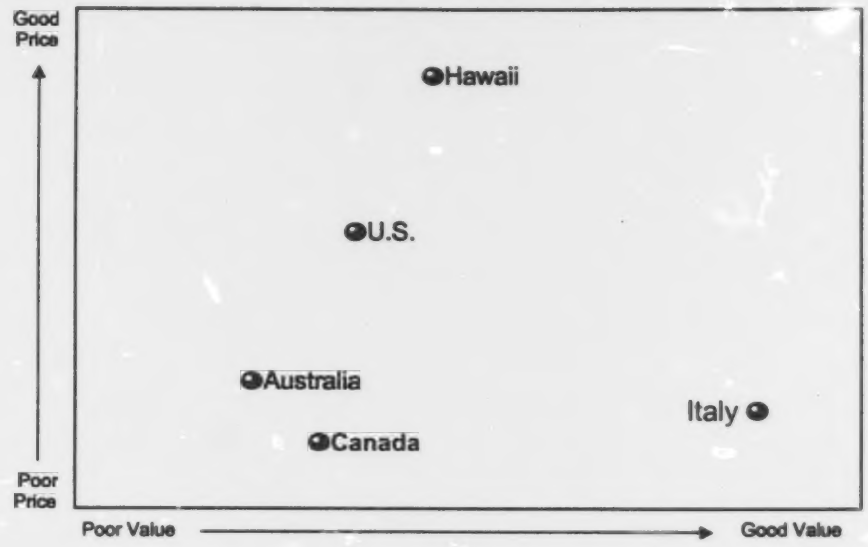


Best Long-Haul Destinations for Value and Price Related Attributes

	Destination Ranking				
	1	2	3	4	5
Value-Rated Attributes					
A safe and clean environment	AUS – 57%	**CDA – 56%**	HWI – 46%	US – 7%	ITL – 7%
Seeing something new and different	ITL – 59%	US – 40%	**CDA – 34%**	AUS – 34%	HWI – 7%
Experiencing a different culture	ITL – 73%	US – 39%	AUS – 30%	**CDA – 24%**	HWI – 9%
Good service and friendly people	HWI – 54%	AUS – 44%	**CDA – 33%**	US – 22%	ITL – 21%
Nice scenery	**CDA – 71%**	AUS – 48%	HWI – 24%	ITL – 21%	US - 11%
Good food	ITL – 77%	HWI – 31%	**CDA – 24%**	AUS – 22%	US – 17%
A variety of things to see and do	ITL – 51%	US – 43%	AUS – 34%	**CDA – 27%**	HWI – 20%
High quality accommodation	HWI – 59%	US – 38%	AUS – 31%	**CDA – 31%**	ITL – 19%
Enriching your knowledge	ITL – 68%	US – 55%	**CDA – 26%**	AUS – 19%	HWI – 5%
Having fun and being entertained	US – 70%	HWI – 50%	ITL – 24%	AUS – 21%	**CDA – 9%**
Good shopping opportunities	HWI – 64%	ITL – 61%	US – 36%	AUS – 10%	**CDA – 6%**
Indulging in luxury	ITL – 50%	HWI – 45%	US – 31%	CDA – 24%	AUS – 24%
Availability of all-inclusive packages	HWI – 64%	US – 36%	AUS – 29%	ITL – 26%	**CDA – 18%**
Price-Rated Attributes					
Good prices for accommodation	HWI – 54%	US – 43%	AUS – 33%	**CDA – 24%**	ITL – 16%
Good prices for shopping	HWI – 49%	US – 47%	AUS – 30%	**CDA – 23%**	ITL – 22%
Good prices for food / entertainment	US – 47%	HWI – 44%	AUS – 32%	ITL – 28%	**CDA – 19%**
Inexpensive airfare to destination	HWI – 77%	US – 61%	AUS – 18%	ITL – 9%	**CDA – 8%**
Inexpensive transportation within destination	HWI – 59%	US – 47%	AUS – 28%	ITL – 23%	**CDA – 16%**
Inexpensive packages	HWI – 86%	US – 43%	AUS – 24%	ITL – 13%	**CDA – 8%**
A favourable exchange rate	HWI – 55%	US – 50%	AUS – 30%	ITL – 22%	**CDA – 12%**

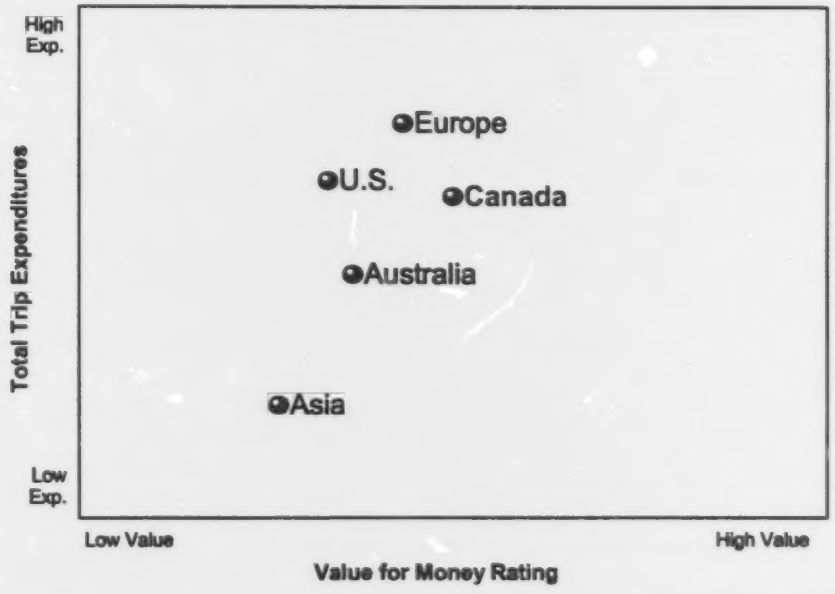
Note: Respondents were asked to choose the top one or two destinations for each attribute from a list of five key long-haul destinations.

Price-Value Plot 1 - Market Perceptions of Price vs. Value for Different Long-Haul Destinations



Note: This is a graphical summary of the data on the previous slide. An average value was calculated for each destination based on respondents' perceptual ratings of the destination on all value-related attributes weighted by their overall importance to this market. An average price score was calculated in a similar way based on price perceptions.

Price-Value Plot 2 - Actual Trip Expenditures vs. Value (As Measured by Value for Money Rating) for Destination Visited on Most Recent Trip



Note: Based on average total trip expenditures and value for money ratings for the destination where travellers stayed longest on the most recent long-haul pleasure trip.

Price-Value Plot 3 - Actual Trip Expenditures vs. Value (As Measured by Likelihood of Returning) for Destination Visited on Most Recent Trip

Note: Based on average total trip expenditures and likelihood of returning ratings for the destination where travellers stayed longest on the most recent long-haul pleasure trip.

AWARENESS AND PERCEPTIONS OF AIRLINES

- The graphics on pages 48 to 50 relate to market awareness and perceptions of airlines providing service from Asia to North America.

- In terms of unaided awareness, i.e., "which airlines are you aware of that provide service from Asia to North America?," the ***highest awareness levels were seen for the Japanese airlines***, which is not at all surprising (86% were aware of JAL, and 79% were aware of ANA). Awareness was also high for Northwest Airlines (50%) and United Airlines (44%).

- Canadian Airlines ranked fifth in terms of unaided awareness (38%), which was much higher than Air Canada (17%). When specifically asked if they were aware of any Canadian-based airlines, the results again showed much higher awareness of Canadian Airlines (47% vs. 21%). Approximately 31% of those aware of both airlines preferred Canadian Airlines, compared with only 21% who preferred Air Canada. Clearly, ***Canadian Airlines enjoys a greater presence and top-of-mind awareness*** in Japan.

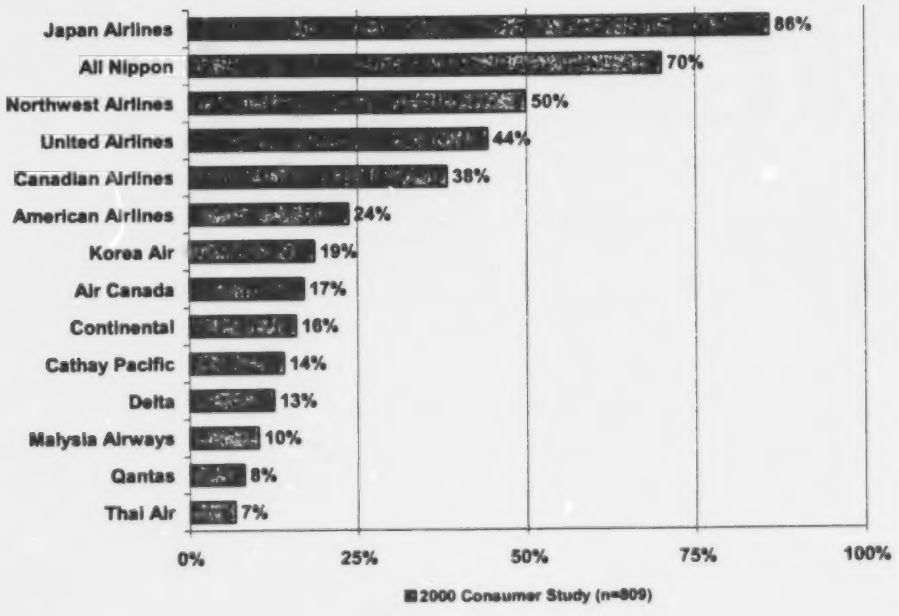
- In terms of airlines used to fly from Asia to North America in the past three years, the most frequently used were JAL (37%), United (24%), Northwest (18%) and ANA (16%). Canadian ranked fifth at 10%, with Air Canada towards the bottom of the list at 5%.

- The ***chief decision-maker in choosing an airline tends to be the traveller*** themselves (39%), rather than a travel agent (20%) or friends/relatives (21%), although often the airline is included in the travel package (20%).

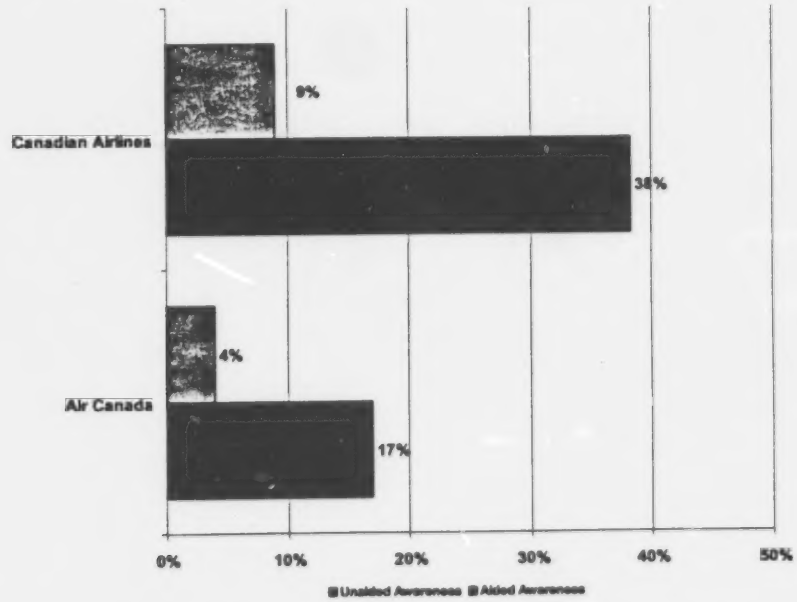
- The ***safety reputation of the airline is paramount*** to Japanese travellers when it comes to selecting an airline, with a remarkable 90% of all respondents who rated this very important. In fact, compared with safety, most other attributes are of secondary importance, including availability of direct flights (62%), price of tickets (58%), airline service reputation (55%) and conveniently scheduled flights (47%).

- The nationality of the airline (31%) and previous experience with the airline (22%) are less important factors, which suggests there are good opportunities for overseas airlines such as Canadian Airlines/Air Canada to improve their standing in this market (i.e., travellers are not tied to Japanese airlines nor to the ones they have flown on before). Extra services/programs such as frequent flyer programs, in-flight entertainment and in-fight duty free shopping typically do not influence airline choices in this market.

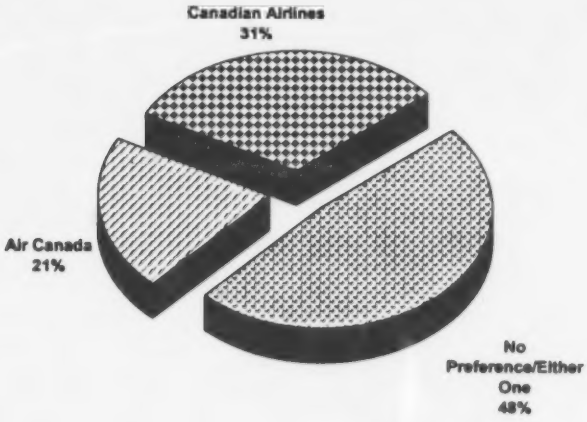
Unaided Awareness of Airlines Providing Service from Asia to North America



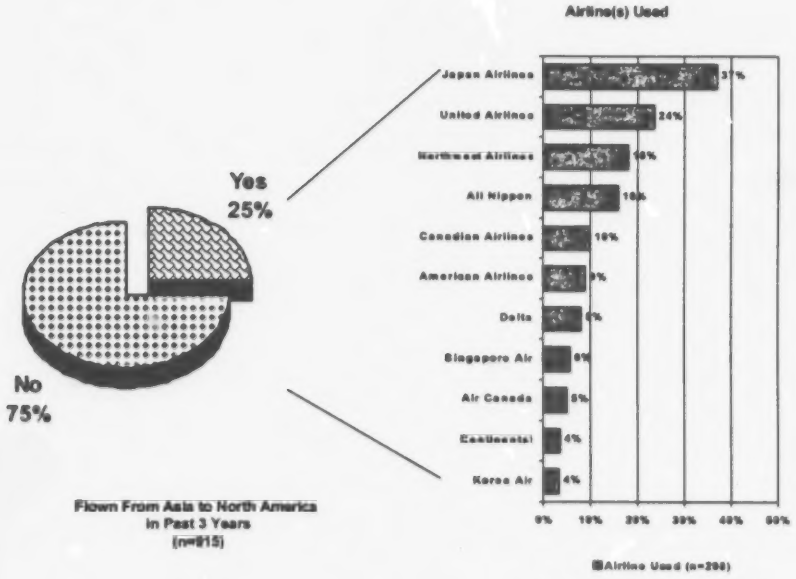
Awareness of Canadian-Based Airlines



Preferred Canadian Airline

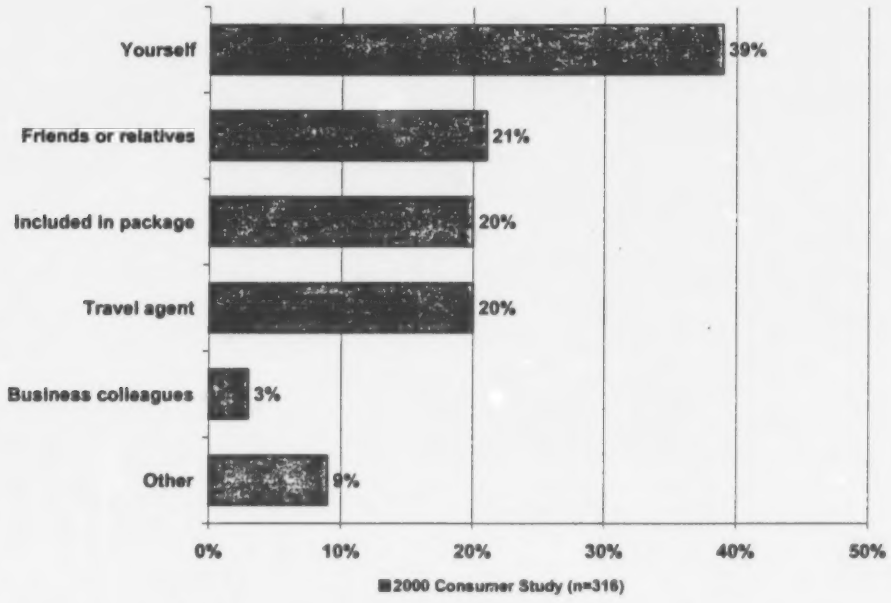


Use of Airlines in the Past 3 Years



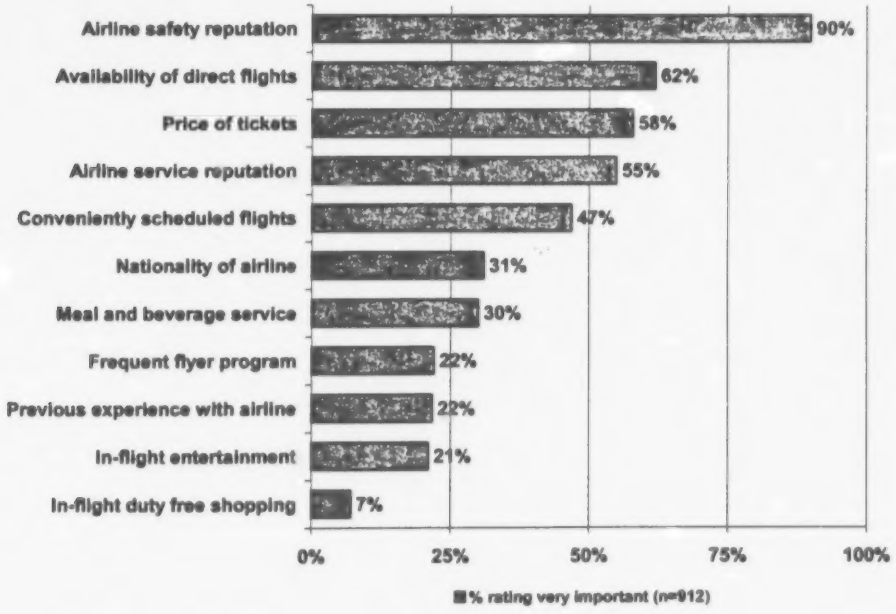
Percentages may sum to more than 100% due to multiple responses.

Key Decision Maker in Choice of Airline



Note: Percentages may sum to more than 100% due to multiple responses.
Base: Those who have flown from Asia to North America in the past three years.

Importance of Attributes in Selecting an Airline



DEMOGRAPHICS OF JAPANESE LONG-HAUL PLEASURE TRAVELLERS

- The long-haul pleasure travel market has evolved considerably since 1995 in terms of traveller demographics (see page 52).

- One of the most notable changes is that long-haul pleasure travellers are ***now more likely to be women (58%)***. This is supported by Min. of Justice/Mainichi Shimbun figures which showed that 59% of overseas air travellers travelling for pleasure were women in 1999. Although men still make up the majority of the travel market as a whole due to the fact that most business travellers are men, pleasure travellers are more likely to be women.

- Women's share of the pleasure travel market has been growing rapidly as a result of Japan's sluggish economic climate. As noted earlier, most companies have cut down on business travel, which in turn has led to a decline in combined business-pleasure travel (see page 19). Incentive travel and company paid vacations have also seen major declines, all of which would combine to reduce pleasure travel by men.

- Compared with 1995, travellers are also ***more likely to be better educated and have higher household incomes*** (59% have junior college/college education and 46% have incomes of 10 million yen or more per year). This is not surprising, since in tough economic times, those who are better off financially are more likely to continue to travel.

- ***Today's pleasure traveller is also older*** than in the past (48% of the market is 45 or older compared with 38% five years ago). In fact, much of this growth is attributable to the 65 plus segment, which has more than doubled since 1995. As a result of Japan's rapidly aging population, the so-called silver market now offers a huge potential for every industry in Japan, and the travel market is no exception. In fact, some travel agencies in Japan have started to aggressively target elderly travellers with specialized products such as "barrier-free tours."

- The ***non-working segment*** of the market (i.e., housewives/retired/unemployed) ***has seen tremendous growth***. This is primarily linked to the growth in travel by women and older people, as noted previously. Interestingly, a new trend has been observed in Japan where retired Japanese are spending more money on themselves to "enjoy life," rather than saving for their children's inheritances as they used to. This would contribute to a growing propensity for travel among the retired group.

- Interestingly, the Min. of Justice/Mainichi Shimbun data also shows a significant increase in the proportion of overseas pleasure travellers that are unemployed. This is likely linked to the trend seen among younger people to "live for the moment," with some youths starting to alternate between working for a short period to save money for travelling and then leaving their jobs to travel for a few months.

	2000 Consumer Study (n=915)	1995 PTMS Study (n=1,200)
Gender		
Male	42%	55%
Female	58%	45%
Age		
18 to 24	18%	17%
25 to 34	21%	25%
35 to 44	13%	20%
45 to 64	40%	35%
65 or older	8%	3%
Education		
High school	33%	40%
Technical or vocational school	8%	12%
Junior college	16%	11%
College or university	43%	36%
Marital status		
Single	31%	31%
Married / living together	67%	69%
Separated / widowed / divorced	2%	1%
Close friends or relatives living in Canada		
Yes	11%	13%
Occupation		
University / College student	12%	11%
White-collar worker	18%	21%
Blue-collar worker	10%	5%
Administrator / manager	4%	13%
Specialist / freelancer	6%	12%
Self-employed	6%	8%
Non-working housewife / retired /unemployed	36%	21%
Other	8%	9%
Annual household income		
Less than ¥ 3 million	5%	7%
¥ 3.0 to ¥ 4.9 million	9%	14%
¥ 5.0 to ¥ 6.9 million	18%	19%
¥ 7.0 to ¥ 9.9 million	21%	26%
¥ 10.0 to ¥ .1.9 million	21%	12%
¥ 12.0 to ¥ 14.9 million	11%	10%
¥ 15.0 million or over	14%	12%

SOCIO-DEMOGRAPHIC SEGMENTATION

- The travel trade in Japan has a well-established scheme for segmenting the pleasure travel market. Five of these mutually exclusive segments have been identified by the CTC as being potentially interesting markets for Canada, namely:
  - ***Office Ladies:*** single, working women, aged 18 to 29;
  - ***Middle Aged:*** individuals aged 45 to 59;
  - ***Full Moon Couples:*** travellers aged 45 or older, travelling together as a couple;
  - ***Students:*** university or college students over 18 years of age; and
  - ***Honeymooners:*** couples on their honeymoon.
- Due to the small size of the Office Ladies 18 to 29 segment in this study, this group has been combined with Office Ladies 30 to 44 to create an ***Office Ladies 18 to 44*** segment.
- The Honeymooners segment was also too small for analysis and has been replaced by ***Seniors***: Individuals 60 years of age or older, which is a growing market segment in Japan.
- This section explores key study findings that may have implications when it comes to marketing to these important traveller segments (see pages 55 to 60).
- The ***Middle-Aged group offers the most potential for Canada*** among the five segments in terms of market size (4.4 million potential travellers to Canada), which is due to a combination of the sheer size of the middle-aged segment and a high level of interest in visiting Canada (67% interested in visiting in the next five years). ***Seniors and Full Moon Couples also offer considerable future potential for Canada*** (2.0 and 1.8 million potential travellers, respectively).
- ***Office Ladies*** tend to have lower household incomes than the other segments, primarily due to their single status and their youth (79% are between 18 and 29). However, because they don't have family commitments, they have both the disposable income and the time to travel. They are avid and enthusiastic travellers for whom overseas travel is a high priority. They tend to be more spontaneous in booking their trips and enjoy doing their own trip planning and research (e.g., using brochures and travel guides). They are fairly cautious in their trip spending and, along with Students, are more likely than others to book their trip through a discount air ticket supplier. Although their desire to travel remains strong, many are waiting until the economic situation improves before resuming overseas travel. With respect to travel to Canada, they are more likely than other segments to want to take a nature viewing trip or a winter sports trip and less likely to be interested in a city trip.

- ***Middle-Aged*** travellers tend to be big spenders and have the high incomes necessary to support overseas travel. They are predominantly package users (80% are likely to use a package for future travel to Canada), and the availability of all-inclusives is more likely to factor into their destination decision-making. This segment, along with Seniors, still relies heavily on travel agents for their trip planning information.

- ***Seniors*** are less sophisticated travellers, being less likely to choose the destination themselves, more likely to turn to a travel agent for trip planning information, and less likely to do their own research using travel guides. This segment generally seeks comfort and convenience on their overseas trips and is willing to pay more for destinations that offer high quality accommodation, all-inclusive packages, and a safe and clean environment. In terms of travel to Canada, they are less interested in visiting Northern Canada and in taking outdoor trips. Relative to the other segments, the travel plans of seniors tend to be less affected by economic conditions, perhaps many are no longer working. This is supported by recent data from the Ministry of Justice which showed that the 3.5% increase in total outbound departures in 1999 was largely attributable to increased travel by those 65 plus.

- ***Full Moon Couples,*** like Middle-Aged travellers, are relatively well-off and tend to be big spenders when they travel. High quality accommodation is more likely to factor into their definition of value and influence their choice of a destination. Full-Moon Couples tend to make the destination decision themselves and to book well in advance of their departure. They are more likely than other segments to go to destinations in Europe, particularly Italy.

- ***Students*** tend to take fairly long trips, often to study. The U.S. is an extremely popular destination among this group, likely due to its popularity as an English language training and study destination. Like Office Ladies, this segment is very cost-conscious, spending less on their trips despite longer durations. They are also more likely to purchase their trips through a discount air supplier and to choose destinations that offer inexpensive packages, inexpensive transportation to and within the destination, good prices for accommodation and good prices for food and entertainment. Students generally tend to avoid packages, and want to see something new and different when they travel.

- In terms of their price-value perceptions, Middle-Aged travellers represent an excellent target market for Canada, with Canada being perceived as offering good price and good value. Full Moon Couples rate Canada extremely well on value, but Canada will need to improve price perceptions if it wishes to attract this segment. Like the other two groups, Seniors believe Canada offers good value, but this segment's poor price perceptions (perhaps due to their more limited means) represents a serious challenge.

- The two younger segments (Students and Office Ladies) both perceive Canada as being weaker on value, because the value attributes that Canada rates well on (e.g., safety, cleanliness, scenery) are less important to them. In addition, they are more likely than the other three segments to be seeking fun and entertainment when they travel, which is not perceived as a strength for Canada in this market.

Size of the Potential Market to Canada

	Office Ladies [1] (18 to 44)	Middle Aged (45 to 59)	Seniors [1] (60+)	Full Moon Couples [1] (45+)	Students
Sample Size					
(n=)	n=80	n=222	n=89	n=85	n=103
Percentage of Long-Haul Pleasure Travel Market					
% of market	7.2%	25.2%	11.5%	11.8 %	11.3%
Interest in Visiting Canada in the Next Five Years					
% very interested	12%	31%	29%	25%	17%
% somewhat + very interested	63%	67%	66%	58%	58%
Size of the Potential Market to Canada [2]					
Potential travellers to Canada (000s) based on % somewhat + very interested	1,185	4,411	1,983	1,788	1,712

Notes:
1 Results should be interpreted with caution due to the small sample size.
2 Potential market size (number of travellers) was calculated as 26,128,000 Japanese long-haul pleasure travellers multiplied by the percent in that segment, multiplied by the percent of that segment interested in visiting Canada in the next five years.

Comparative Profile: Demographics

	Office Ladies[1] (18 to 44)	Middle *Aged (45 to 59)	Seniors[1] (60+)	Full Moon Couples[1] (45+)	Students
Gender					
Male	0%	34%	48%	53%	52%
Female	100%	66%	52%	47%	48%
Age					
18 to 29	79%	-	-	-	100%
30 to 44	21%	-	-	-	-
45 to 59	-	100%	-	40%	-
60 +	-	-	100%	60%	-
Marital Status					
Single	100%	11%	2%	-	98%
Married / living together	-	86%	89%	100%	2%
Separated / divorced / widowed	-	3%	9%	-	0%
Highest Level of Education					
College or university	36%	33%	32%	39%	82%
Annual Household Income					
Less than ¥ 3 million	22%	1%	16%	0%	38%
¥ 3.0 to ¥ 6.9 million	40%	14%	25%	20%	0%
¥ 7.0 to ¥ 11.9 million	14%	48%	38%	47%	32%
¥ 12.0 million or over	24%	37%	21%	33%	30%
Occupation					
Student	-	0%	0%	0%	100%
Employed	100%	46%	28%	34%	-
Housewife, not working outside home	-	41%	41%	39%	-
Unemployed/Retired	-	4%	26%	21%	-

Note [1] Results should be interpreted with caution due to the small sample size

Comparative Profile: Long-Haul Pleasure Trip Characteristics

	Office Ladies[1] (18 to 44)	Middle Aged (45 to 59)	Seniors[1] (60+)	Full Moon Couples[1] (45+)	Students
Destinations Visited on Most Recent Long-Haul Trip					
Mainland U.S.	13%	17%	8%	13%	33%
Hawaii	13%	17%	14%	16%	6%
Australia	6%	8%	9%	9%	9%
France	8%	9%	7%	16%	9%
Italy	12%	6%	9%	21%	2%
Other Europe	3%	8%	18%	12%	4%
U.K.	5%	9%	6%	14%	8%
Visited Canada on Most Recent Trip					
Yes	4%	8%	6%	7%	6%
Main Purpose of Most Recent Trip					
To visit friends and relatives	18%	14%	10%	12%	10%
For pleasure or vacation	79%	72%	81%	78%	63%
To study abroad	0%	0%	0%	0%	18%
Other	2%	14%	9%	10%	9%
Number of Nights Away From Home on Most Recent Trip					
Mean number of nights	8.3	7.6	8.8	7.7	13.6
Travel Party Composition					
Travelled alone	10%	15%	14%	-	23%
Wife / Husband / Girlfriend / Boyfriend	5%	22%	17%	100%	5%
Children	0%	25%	20%	-	0%
Friends	50%	29%	34%	-	39%
Average Total Trip Expenditures					
Mean expenditures (000s) per party	¥ 290.1	¥ 545.8	¥ 471.8	¥ 656.8	¥ 286.1
Mean expenditures (000s) per person	¥ 228.3	¥ 374.0	¥ 339.9	¥ 357.2	¥ 273.3
Used a Package on Most Recent Trip					
Yes	61%	74%	75%	76%	52%

Note: [1] Results should be interpreted with caution due to the small sample size.

Comparative Profile: Trip Decision-Making

	Office Ladies[1] (18 to 44)	Middle Aged (45 to 59)	Seniors[1] (60+)	Full Moon Couples[1] (45+)	Students
Destination Decision Maker for Most Recent Trip					
Myself	54%	40%	36%	44%	48%
Wife / Husband / Girlfriend / Boyfriend	7%	11%	4%	57%	3%
Children	0%	10%	16%	1%	0%
Friends	29%	20%	17%	0%	24%
Travel agent	5%	4%	6%	3%	2%
Top Information Sources Used for Planning Most Recent Trip					
Brochures / pamphlets	63%	55%	45%	51%	32%
Travel agent	23%	50%	53%	44%	27%
Friends / family members	36%	28%	33%	26%	29%
Travel guides	37%	20%	13%	21%	29%
Booking Horizon					
Mean number of months before departure when trip was booked	1.5	2.2	3.0	3.1	2.5
Where Most Recent Trip was Booked					
Travel agent	75%	77%	78%	77%	54%
Discount air ticket supplier	22%	9%	6%	5%	26%
Directly with airline	0%	6%	4%	10%	4%
Directly with the destination	2%	5%	4%	6%	2%
Used Internet to Book Most Recent Trip					
Yes	5%	3%	7%	1%	8%

Note: [1] Results should be interpreted with caution due to the small sample size.

Attitudes Towards Overseas Travel

	Office Ladies[1] (18 to 44)	Middle Aged (45 to 59)	Seniors[1] (60+)	Full Moon Couples[1] (45+)	Students
Attitudes Towards Overseas Travel (% somewhat + strongly agree)					
Overseas travel is a high priority for my leisure time	94%	77%	77%	77%	82%
I take fewer overseas trips now than I used to	25%	31%	28%	32%	14%
I am waiting until the economy improves before I take an overseas holiday	81%	71%	56%	74%	79%
Money spent on overseas travel is money well spent	77%	62%	78%	68%	64%
I am waiting for the exchange rate to improve before I take an overseas holiday	61%	66%	64%	64%	67%

Note: [1] Results should be interpreted with caution due to the small sample size.

Future Travel to Canada

	Office Ladies[1] (18 to 44)	Middle Aged (45 to 59)	Seniors[1] (60+)	Full Moon Couples[1] (45+)	Students[1]
	n = 56	n = 152	n = 58	n = 51	n = 64
Likelihood of Using Packages on Future Trip to Canada					
% Somewhat + Very Likely	69%	80%	71%	66%	54%
Region in Canada Most Likely to Visit on Future Trip					
Vancouver-Victoria	24%	19%	19%	16%	26%
Banff-Rockies	12%	24%	30%	16%	6%
Toronto-Ottawa-Niagara Falls	31%	33%	42%	31%	41%
Montreal-Quebec	8%	10%	6%	15%	14%
Atlantic Canada	16%	6%	2%	8%	12%
Northern Canada	9%	6%	0%	14%	2%
Trip Type Most Likely to Take to Canada					
A city trip	1%	11%	10%	17%	12%
A touring trip	17%	24%	37%	19%	35%
A nature viewing trip	64%	48%	38%	45%	34%
A trip to enjoy outdoor activities	0%	7%	0%	7%	10%
A mountain or country resort trip	1%	6%	2%	5%	2%
A culture or history trip	4%	2%	12%	6%	6%
A winter sports trip	12%	3%	0%	0%	2%

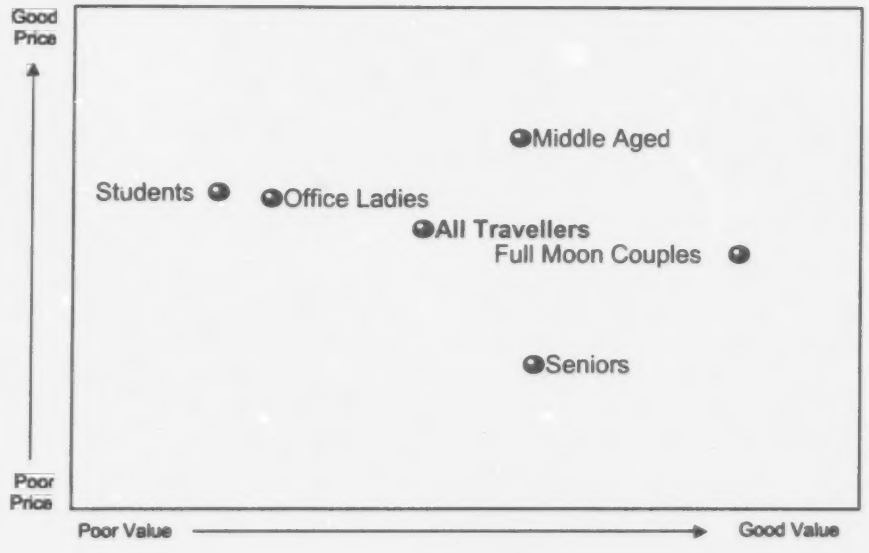
Note: [1] Results should be interpreted with caution due to the extremely small sample size.
Base: Those interested in visiting Canada in the next five years.

Importance of Price / Value-Related Attributes

	Value Attributes More Likely to be Important[2]	Price Attributes More Likely to be Important[2]
Socio-Demographic Segments		
Office Ladies: [1]	N/A	Inexpensive airfare to destination
Middle Aged:	Availability of all-inclusive packages	N/A
Seniors: [1]	High quality accommodation	N/A
	Availability of all-inclusive packages	
	Safe and clean environment	
Full Moon Couples: [1]	High quality accommodation	N/A
Students:	See something new and different	Inexpensive packages to destination
		Inexpensive airfare to destination
		Inexpensive transportation within destination
		Good prices for accommodation
		Good prices for food and entertainment

[1] *Results should be interpreted with caution due to the small sample size.*
[2] *More likely to be important to this segment in selecting an overseas travel destination relative to the long-haul pleasure travel market as a whole*

Price-Value Perceptions of Canada



Note: An average value was calculated for each segment based on respondents' perceptual ratings of Canada on all value-related attributes weighted by their overall importance to the segment. An average price score was calculated in a similar way based on price perceptions.

CONCLUSIONS

- The Japanese interest in long-haul pleasure travel remains strong, with considerable pent-up demand in the marketplace. This suggests that the market will resume its upward track as the economy improves. There is a core of people, typically older and better off financially, whose overseas travel plans have been less affected by Japan's economic woes, and who will likely lead the way as the market rebounds.

- The potential market to Canada is 15.9 million Japanese pleasure travellers (based on the fact that 61% of the long-haul market is *very or somewhat* interested in visiting Canada in the next five years). But to achieve this potential, Canada will need to enhance market awareness, aggressively promote its products, and make potential travellers more familiar with specific things to see and do there.

- Japan's travellers are more sophisticated than in the past, and are starting to make their own destination decisions and plan their own trips. Travel guides have taken on increasing importance as trip planning tools, and Canada will need to ensure that good publications on the country are readily available in Japan. The internet will likely increase in the future as a source of trip information, although few travellers are currently using it to book travel.

- Canada suffers from strong misperceptions in this marketplace relating to price and value. In reality, Canada offers Japanese tourists excellent value for the same or less than what they would spend going to Europe or the U.S. However, Canada is *perceived* by travellers as an expensive destination that offers poor value relative to other long-haul vacation spots, which would obviously dampen its market appeal.

- Improving price perceptions will be critical for Canada to boost its share of the Japanese market, since the recent economic difficulties have left the market extremely cautious and very price-sensitive. This new cost-consciousness is marked by declining trip expenditures and trip lengths, less money being spent on shopping, and a greater tendency among travellers to seek out the best deal (e.g., through discount air ticket suppliers).

- Canada may be viewed as being expensive relative to other destinations because of the more comprehensive, fully organized packages that are available and the typically longer trips that are taken there. Perceptions might be improved by developing some skeleton packages to lower initial purchase costs, creating shorter (e.g., more regionalized) packages to reduce overall costs, and promoting the fact that Canada is eminently affordable (e.g., compared to Europe).

- Canada also needs to boost its perceived "value" as a tourism destination in Japan. It tends to be thought of as a safe, clean and nice country to live in, but its tourism attributes are not well known. Canada needs to develop a better branding strategy in Japan — one that goes beyond "grand nature." Its culture product might be a good place to start since seeing different cultures has evolved to become highly important to Japanese travellers.

- The over-riding desire in this market for safety when travelling immediately gives Canada a strong advantage in marketing any product, whether it be nature, culture or anything else, in that *all* activities can be done in a safe and clean environment. This is a distinctive part of the Canada brand.

- The Middle-Aged segment offers the best potential for Canada, with high interest levels and relatively good price-value perceptions of the destination. This is also a potentially lucrative segment for Canada to target, representing both high volumes and high expenditures. Seniors and Full Moon Couples also have high interest and good value perceptions, but Canada will need to address poorer price perceptions, particularly among Seniors, to attract these segments. All three of these groups tend to be package users, so Canada should examine its package offerings to ensure they are in line with what these segments want (e.g., all-inclusives, high quality accommodation, etc.).

- There is a small segment of travellers that have already had an extremely satisfying vacation experience in Canada with a high likelihood of returning. Marketers should focus on trying to encourage these potential repeat travellers to return to Canada to visit "new" destinations outside of the Vancouver-Banff-Toronto circuit (e.g., Quebec, Atlantic region) in order to "decentralize" Japanese visitation to Canada.

- Canada is also well positioned to develop certain niche or SIT markets in Japan, for example, English study (Canada is safer for students than the U.S.), skiing and snowboarding (Canada has more natural surroundings) and silver-aged nurturing tours (Canada is safe and clean).

APPENDIX I – JAPAN CONSUMER RESEARCH – FINAL QUESTIONNAIRE

Area:
Tokyo.....1
Osaka.....2
Nagoya.....3
Other.....4

Respondent No.: _____

Respondent's Name: _____

Telephone Number: _____

Date of Interview: _____ **Time:** _____

Interviewer's Name: _____ **Supervisor:** _____

GREETING: Good morning/afternoon/evening. My name is _____ of Japan Research Consultants, a company that specializes in marketing research. We are conducting a survey about trips outside Japan with people aged 18 or older. Participation is voluntary and all your responses will be kept strictly confidential. Would you please cooperate in this survey? We greatly appreciate your cooperation. This will only take 15 minutes of your time.

Screener

SC1. Are there any family members, including yourself, who are working for any of the following industries?

- Airline company
- Travel agency
- Government travel bureau
- Airport
- Mass media/ad agency/marketing research company

No.....1
Yes.....2 → TERMINATE

SC2a How many people, including yourself, are in your household?

[ ] People

SC2b. How many people among them are 18 years of age or older?

1 → **GO TO SC4**

2

3

4

5 or more

SC3. We are conducting an interview with only one person per household. Among the people aged 18 or older, I would like to ask the person whose birthday is closest to June [SEPT./DEC./MAR.] 1st to cooperate in this survey. Would you please ask him/her?

After the person comes → **REPEAT GREETING, THEN GO TO SC4**
(If the number of respondents of each age bracket has been completed, ask the person whose birthday is next closest to that date.)

SC4. (OBSERVATION) Sex

Male.....1

Female 2

SC5. Would you mind telling me which age group you belong to? **READ LIST. CODE BELOW.**

18 – 19 1

20 – 24 2

25 – 29 3

30 – 34 4

35 – 39 5

40 – 44 6

45 – 49 7

50 – 59 8

60 – 64 9

65 or older 10

Other than the above.....11 → **TERMINATE**

SC6. In the past three years, that is since February 1997, have you taken a holiday trip by plane, to somewhere outside Japan for four nights or longer? Please include trips to visit friends and relatives and business trips on which you combined business with a holiday trip.

Yes 1

No.....2 → **SKIP TO SC8**

SC7. Which countries outside Japan did you visit for a holiday of four nights or more in the past three years? **DO NOT READ. CIRCLE ALL THAT APPLY.**

Canada	1
Mainland U.S.A.	2
Hawaii	3
Guam/American Samoa/Saipan	4
Puerto Rico/US Virgin Islands	5
Other South Pacific	6
Mexico	7
Central/South America	8
The West Indies/Caribbean	9
South Africa	10
Other Africa	11
UK	12
Switzerland	13
France	14
Spain	15
Italy	16
Other Europe	17
Australia	18
New Zealand	19
Former USSR (CIS)	20
China (PRC)	21
South Korea	22
Thailand	23
Singapore/Malaysia/Philippines	24
Taiwan (ROC)	25
Hong Kong	26
Other Asia/Middle East	27

SC8. In the next twelve months, how likely is it that you will take a holiday trip by plane somewhere outside of Japan for 4 nights or longer? Are you: **READ LIST. SINGLE RESPONSE.**

Definitely going to take such a trip	1
Very likely to take such a trip	2
Somewhat likely to take such a trip	3
Not very likely to take such a trip OR	4
Not at all likely to take such a trip	5

SC9. RESPONDENT QUOTAS (SEGMENT EACH RESPONDENT INTO ONLY ONE GROUP)

Travellers to Canada (SC7 = 1) 1	→	Check the number of respondents to be completed, and, if necessary, ask the respondent to cooperate in the main survey
Travellers to other countries (SC7 = 2 to 27) 2	→	
Those who did not travel in the last 3 years, but plan to travel in the next year (SC6 = 2 and SC8 = 1) 3	→	
Those who did not travel in the past 3 years and who do not intend to take such a trip in the next year (SC6 = 2 and SC8 = 2 to 5) 4	→	SKIP TO Q 38

IF SC9 = 3 → SECTION 3

SECTION 1: MOST RECENT TRIP

Now I would like you to think about your most recent holiday trip of four nights or longer outside of Japan.

1a. Which countries did you visit on your most recent holiday trip? Don't include places that were airport stop-overs only. **DO NOT READ. MULTIPLE RESPONSE.**

IF ONLY ONE DESTINATION AT Q1a TRANSFER CODE TO Q1b AND SKIP TO Q2

1b. **(IF VISITED MORE THAN ONE PLACE):** In which place did you stay the longest? **SINGLE RESPONSE ONLY**

	1a. Most Recent	1b. Longest
Canada	01	01
Mainland U.S.A.	02	02
Hawaii	03	03
Guam/American Samoa/Saipan	04	04
Puerto Rico/US Virgin Islands	05	05
Other South Pacific	06	06
Mexico	07	07
Central/South America	08	08
The West Indies/Caribbean	09	09
South Africa	10	10
Other Africa	11	11
UK	12	12
Switzerland	13	13
France	14	14
Spain	15	15
Italy	16	16
Other Europe	17	17
Australia	18	18
New Zealand	19	19
Former USSR (CIS)	20	20
China (PRC)	21	21
South Korea	22	22
Thailand	23	23
Singapore/Malaysia/Philippines	24	24
Taiwan (ROC)	25	25
Hong Kong	26	26
Other Asia/Middle East	27	27

IF SC9 = 1 (TRAVELLER TO CANADA) → GO TO SECTION 2

2. What was the main purpose of your most recent trip? **READ LIST. SINGLE RESPONSE**

To visit friends or relatives 1
For pleasure or a vacation 2
To combine business and pleasure 3
For a honeymoon 4
For a company-paid vacation 5
To study abroad 6
Other 7
..... DK9

3. On this trip, how many nights in total, were you away from home? **RECORD NUMBER. CHECK – SHOULD BE FOUR OR MORE NIGHTS. IF NOT, GO BACK TO Q1A AND ASK ABOUT MOST RECENT TRIP OF FOUR OR MORE NIGHTS.**

[ ] Nights

..... DK 999

4. When you originally left Japan for this trip, with whom were you travelling? **MULTIPLE RESPONSE.**

Travelled alone 1
Wife/husband/girlfriend/boyfriend 2
Child/children 3
Father/mother 4
Other relatives 5
Friends 6
Organized group/club. 7
Business associates 8
Other 9
..... DK 99

5. Who decided on the destination for your trip? **MULTIPLE RESPONSE**

Myself 01
Wife/husband/girlfriend/boyfriend 02
Child/children 03
Father/mother 04
Other relatives 05
Friends 06
Organized group/club. 07
Business associates 08
Travel agent 09
Other 10
..... DK 99

6. What were the three most important sources of information used in planning your trip?
DO NOT READ. CIRCLE TOP THREE MENTIONS ONLY.

Brochures/pamphlets	01
Friends/family members	02
Travel agent	03
Airline	04
AB-ROAD/travel magazines	05
Articles / features in other magazines	06
Articles / features in newspapers	07
Television advertisements	08
Newspaper advertisements	09
Magazine advertisements	10
Information received in the mail	11
Internet / website	12
Business colleagues	13
Movies or TV shows	14
Books / Library	15
Travel guides (e.g. Chikyu no Arukikata)	16
Automobile associations (e.g., JAF)	17
Government tourism office / board	18
Clubs / associations	19
None	20
Other	21
	DK 99

7a. How far in advance did you actually book your trip?
RECORD NUMBER IN APPROPRIATE BOX

[ ] Weeks OR [ ] Months OR [ ] Years

.....DK 99

7b. And with whom did you book your trip? **READ LIST. MULTIPLE RESPONSE.**

Travel agent 1
Discount air ticket supplier.....2
Directly with airline.....3
Directly with the destination.....4
Other 5
.....DK 9

7c. Did you book any part of the trip through the Internet?

Yes 1
No.....2 → **SKIP TO Q8a**
.....DK 9 → **SKIP TO Q8a**

7d. Which part of the trip did you book through the Internet? **MULTIPLE RESPONSE.**

Entire trip 1
Airfare to the destination.....2
Transportation within the destination 3
Accommodation.....4
Rental car 5
Entertainment 6
Other 7
.....DK 9

8a. Thinking now about the expenditures of all the people included in your travel budget, approximately what was the total amount spent on your trip (including air travel, food, accommodation, transportation, entertainment, shopping, souvenirs, etc., but not pre-trip shopping)? **RECORD NUMBER IN BOX. IF THEY DON'T KNOW, ASK FOR AN ESTIMATE.**

10,000 ¥ [ ]

.....DK/REF 99

8b. Including yourself, how many people were included in the travel budget?
RECORD NUMBER IN BOX.

[ ] people

.....DK 99

9. Did you use a package where accommodation or something else was purchased together with your flight before you left Japan?

Yes 1

No 2

..... DK 9

[IF VISITED MORE THAN ONE PLACE IN Q1a] READ: Now we are talking about the place you spent the longest amount of time in on your trip, that is, **[REFER TO DESTINATION IN Q1b]**

10. Overall, on a scale of 1 to 10, where one means "extremely low value for money" and 10 means "extremely high value for money", how would you rate your most recent holiday to [DESTINATION 1b] in terms of its value for money? **SINGLE RESPONSE.**

1 2 3 4 5 6 7 8 9 10 DK 99

11. And in the next 5 years, how likely is it that you will take another holiday to **[DESTINATION Q1b]? READ LIST. SINGLE RESPONSE.**

Very likely 4

Somewhat likely 3

Not very likely 2

Not at all likely 1

..... DK 9

NOW SKIP TO SECTION 3

SECTION 2: MOST RECENT TRIP TO CANADA

Now we would like to ask you about your most recent holiday trip of four or more nights to Canada.

12. What was the main purpose of this trip to Canada? **READ LIST. SINGLE RESPONSE.**

To visit friends or relatives 1
For pleasure or a vacation 2
To combine business and pleasure 3
For a honeymoon 4
For a company-paid vacation 5
To study abroad 6
Other 7
..... DK 9

13a. On this trip, how many nights in total, were you away from home?
RECORD NUMBER. CHECK – SHOULD BE FOUR OR MORE NIGHTS.

[ ] Nights
..... DK 999

13b. And how many nights were you in Canada?
RECORD NUMBER. CHECK – SHOULD BE FOUR OR MORE NIGHTS.

[ ] Nights
..... DK 999

14. Which of the following major sites did you visit while in Canada?
READ LIST. MULTIPLE RESPONSE.

Vancouver 1
Victoria 2
Whistler 3
Rockies 4
Banff 5
Calgary 6
Toronto 7
Niagara Falls 8
Ottawa 9
Montreal 10
Quebec City 11
Anne of Green Gables 12
Other 13
..... DK 99

15. When you originally left Japan for this trip, with whom were you travelling? **MULTIPLE RESPONSE.**

Travelled alone 1
Wife/husband/girlfriend/boyfriend 2
Child/children 3
Father/mother 4
Other relatives 5
Friends 6
Organized groups/club. 7
Business associates 8
Other 9
..... DK 99

16. Who decided on the destination for your trip? **MULTIPLE RESPONSE**

Myself 01
Wife/husband/girlfriend/boyfriend 02
Child/children 03
Father/mother 04
Other relatives 05
Friends 06
Organized group/club. 07
Business associates 08
Travel agent 09
Other 10
..... DK 99

17. What were the three most important sources of information used in planning your trip to Canada? **DO NOT READ. CIRCLE TOP THREE MENTIONS ONLY.**

- Brochures/pamphlets 01
- Friends/family members 02
- Travel agent 03
- Airline 04
- AB-ROAD/travel magazines 05
- Articles / features in other magazines 06
- Articles / features in newspapers 07
- Television advertisements 08
- Newspaper advertisements 09
- Magazine advertisements 10
- Information received in the mail 11
- Internet / website 12
- Business colleagues 13
- Movies or TV shows 14
- Books / Library 15
- Travel guides (e.g., Chikyu no Anikikata) 16
- Automobile associations (e.g., JAF) 17
- Government tourism office / board 18
- Clubs / associations 19
- None 20
- Other 21
- ..... DK 99

18a. How far in advance did you actually book your trip to Canada? **RECORD NUMBER IN APPROPRIATE BOX.**

[ ] Weeks OR [ ] Months OR [ ] Years

..... DK 99

18b. And with whom did you book your trip to Canada? **READ LIST. MULTIPLE RESPONSE.**

- Travel agent 1
- Discount air ticket supplier 2
- Directly with airline 3
- Directly with the destination 4
- Other 5
- ..... DK 9

18c. Did you book any part of your trip through the Internet?

Yes 1

No ..... 2 → **SKIP TO Q19**

..... DK 9 → **SKIP TO Q19a**

18d. Which part of the trip did you book through the Internet? **MULTIPLE RESPONSE**

Entire trip 1

Airfare to the destination 2

Transportation within the destination 3

Accommodation 4

Rental car 5

Entertainment 6

Other 7

..... DK 9

19a. Thinking now about the expenditures of all the people included in your travel budget, approximately what was the total amount spent on your trip to Canada (including air travel, food, accommodation, transportation, entertainment, shopping, souvenirs, etc., but not pre-trip shopping)? **RECORD NUMBER IN BOX. IF THEY DON'T KNOW, ASK FOR AN ESTIMATE.**

10,000 ¥ ☐

..... DK/REF 99

19b. Including yourself, how many people were included in the travel budget? **RECORD NUMBER IN BOX.**

☐ people

..... DK 99

20. Did you use a package where accommodation or something else was purchased together with your flight before you left Japan?

Yes 1

No 2

..... DK 9

21. Overall, on a scale of 1 to 10, where one means "extremely low value for money" and 10 means "extremely high value for money", how would you rate your holiday to Canada in terms of its value for money? **SINGLE RESPONSE.**

1 2 3 4 5 6 7 8 9 10 DK 99

22. And in the next 5 years, how likely is it that you will take another holiday to Canada? **READ LIST. SINGLE RESPONSE.**

Very likely 4

Somewhat likely 3

Not very likely 2

Not at all likely 1

..... DK 9

SECTION 3: PERCEPTIONS AND ATTITUDES TOWARDS OVERSEAS TRAVEL

Now I would like you to think about overseas travel in general.

23a. I am going to read you a list of factors that people might consider in selecting an overseas holiday destination. For each item, please tell me whether it is very important, somewhat important or not important to you in selecting a destination. By important, I mean that you would be willing to pay a little more to go to a destination that offered it.
READ LIST. SINGLE RESPONSE PER ITEM. REPEAT SCALE AS NECESSARY.

	Very Important	Somewhat Important	Not Important	DK
High quality accommodation	3	2	1	9
Good food	3	2	1	9
Good shopping opportunities	3	2	1	9
Availability of all-inclusive packages	3	2	1	9
A variety of things to see and do	3	2	1	9
Good service and friendly people	3	2	1	9
A safe and clean environment	3	2	1	9
Nice scenery	3	2	1	9
The chance to see something new and different	3	2	1	9
Opportunities to have fun and be entertained	3	2	1	9
Opportunities to enrich your knowledge	3	2	1	9
Opportunity to indulge in luxury	3	2	1	9
Opportunity to experience a culture different from your own	3	2	1	9

23b. For each of the following price-related attributes, please tell me whether it is very important, somewhat important or not important in influencing your selection of an overseas holiday destination. **READ LIST. SINGLE RESPONSE PER ITEM. REPEAT SCALE AS NECESSARY.**

	Very Important	Somewhat Important	Not Important	DK
Inexpensive packages to your destination	3	2	1	9
Inexpensive airfare to the destination	3	2	1	9
Inexpensive transportation within the destination	3	2	1	9
Good prices for accommodation	3	2	1	9
Good prices for shopping	3	2	1	9
Good prices for food and entertainment	3	2	1	9
A favourable exchange rate	3	2	1	9

24. Thinking about the following destinations **[FOR EACH RESPONDENT CHANGE ORDER IN WHICH DESTINATIONS ARE READ]** – the mainland U.S., Hawaii, Canada, Italy and Australia – which do you feel would be the best place to go for each of the following? Your choices can be based on your impressions or anything that you have seen, heard or read. Which destination do you feel would be best for: **READ LIST. FOR EACH ITEM CIRCLE FIRST AND SECOND MENTIONS ONLY. REPEAT DESTINATIONS AS NECESSARY.**

ROTATE START	[ ]	[ ]	[ ]	[ ]	[ ]	
	Mainland US	**Hawaii**	**Canada**	**Italy**	**Australia**	**DK**
High quality accommodation	1	2	3	4	5	9
Good food	1	2	3	4	5	9
Good shopping opportunities	1	2	3	4	5	9
Availability of all-inclusive packages	1	2	3	4	5	9
A variety of things to see and do	1	2	3	4	5	9
Good service and friendly people	1	2	3	4	5	9
A safe and clean environment	1	2	3	4	5	9
Nice scenery	1	2	3	4	5	9
Seeing something new and different	1	2	3	4	5	9
Having fun and being entertained	1	2	3	4	5	9
Enriching your knowledge	1	2	3	4	5	9
Indulging in luxury	1	2	3	4	5	9
Experiencing a culture different from your own	1	2	3	4	5	9
Inexpensive packages to your destination	1	2	3	4	5	9
Inexpensive airfare to the destination	1	2	3	4	5	9
Inexpensive transportation within the destination	1	2	3	4	5	9
Good prices for accommodation	1	2	3	4	5	9
Good prices for shopping	1	2	3	4	5	9
Good prices for food and entertainment	1	2	3	4	5	9
A favourable exchange rate	1	2	3	4	5	9

25. Now I am going to read you some general statements describing how people might feel about overseas holiday travel. For each statement, please tell me whether you strongly agree, somewhat agree, somewhat disagree or strongly disagree. **READ LIST. REPEAT SCALE IF NECESSARY. SINGLE RESPONSE PER ITEM.**

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	DK
Overseas travel is a high priority for my leisure time	4	3	2	1	9
I take fewer overseas trips now than I used to	4	3	2	1	9
I am waiting until the economy improves before I take an overseas holiday	4	3	2	1	9
Money spent on overseas travel is money well spent	4	3	2	1	9
I am waiting for the exchange rate to improve before I take an overseas holiday	4	3	2	1	9

SECTION 4 – FUTURE TRAVEL TO CANADA

Now I would like you to think about Canada as a potential holiday destination.

26a. How interested are you in taking a holiday trip to Canada in the next year? **READ LIST. SINGLE RESPONSE.**

26b. How about in the next five years? **READ LIST. SINGLE RESPONSE.**

	26a. Next Year	26b Next Five Years.
Very interested	4	4
Somewhat interested	3	3
Not very interested	2	2
Not at all interested	1	1
	DK 9	DK 9

26c. **IF NOT INTERESTED (I.E., Q26b = 1 OR 2) ASK:** Why are you not interested in visiting Canada? **DO NOT READ. MULTIPLE RESPONSE. PROBE.** Is there anything else?

Been there before and want to go some place new.....1
Been there before and not satisfied.....2
Friends have been there and were not satisfied.....3
Canada is too expensive (in general).....4
Airfare to Canada is too expensive.....5
Packages to Canada are too expensive/ no low-priced packages.....6
Accommodation is too expensive.....7
Transportation within Canada is too expensive.....8
Too many extra taxes (e.g., sales tax, GST, accommodation taxes).....9
Flight to Canada too long/too far.....10
Not enough flights to Canada.....11
Poor exchange rates.....12
Poor accommodation quality.....13
Too big/main attractions too far apart.....14
Poor transportation services within Canada (e.g., plane, bus, train).....15
Poor weather/too cold.....16
Language difficulties.....17
Lack of things to see and do there.....18
Not an exciting place to visit/too boring.....19
Prefer more exotic places.....20
Don't know enough about it.....21
Lack of interesting packages to Canada.....22
Simply not interested in going.....23
Don't have friends or relatives in Canada.....24
Can't afford to travel.....25
Too old to travel.....26
Have young children.....27
No time to travel.....28
Illness/disabled.....29
No one to travel with.....30
Other.....31
.....DK 99

NOW SKIP TO SECTION 5

27a. If you were to go on a holiday trip to Canada in the next five years, how likely would you be to use a package where accommodation or something else is purchased together with your flight before you leave Japan? **READ LIST. SINGLE RESPONSE.**

Very likely	4	
Somewhat likely	3	
Not likely	2	→ **SKIP TO Q 28a**
Not at all likely	1	→ **SKIP TO Q 28a**
DK	9	→ **SKIP TO Q 28a**

27b. What parts of your package would you purchase in Japan ahead of time for your trip to Canada? **READ LIST. MULTIPLE RESPONSE.**

27c. Which additional items would you purchase once you arrived in Canada? **READ LIST SKIPPING THOSE CIRCLED IN 27B. MULTIPLE RESPO NSE.**

	27b. Purchase in Japan	**27c. Purchase in Canada**
Airfare within Canada	1	1
Other transportation within Canada	2	2
Airfare to the U.S.	3	3
Accommodation in Canada	4	4
Meals	5	5
A Japanese speaking tour guide to take you on a planned itinerary	6	6
A rental car	7	7
City sightseeing tours/short excursions	8	8
Two or three day excursions with overnight accommodation to surrounding attractions	9	9
Admission tickets to attractions and entertainment	10	10
DK	99	99

28a. If you were to take a holiday trip to Canada in the next five years, which region of Canada would you be <u>most</u> likely to visit? **READ LIST. SINGLE RESPONSE.**

28b. And on this trip to Canada, which other regions or destinations would you likely visit in combination with your trip to the **[INSERT RESPONSE FROM 28a]? READ LIST SKIPPING RESPONSE FROM 28a. MULTIPLE RESPONSE.**

	28a. Most likely region	28b. Other regions
Vancouver-Victoria region	1	1
Banff-Rockies region	2	2
Toronto–Ottawa–Niagara Falls region	3	3
Montreal–Quebec region	4	4
Atlantic Canada – Anne of Green Gables region	5	5
Northern Canada	6	6
Other parts of Canada	7	7
READ FOR 28b ONLY		
The U.S.	8	8
Other Countries	9	9
DK 99	**→ SKIP TO Q29a**	DK 99

29a. And if you were to take a holiday trip to Canada in the next five years, which of the following types of trips would you be most likely to take? **READ LIST. SINGLE RESPONSE.**

A city trip 1
A touring trip 2
A nature viewing trip 3
A trip to enjoy outdoor activities 4
A mountain or country resort trip 5
A culture or history trip 6
A winter sports trip 7
DK 9 **→ SKIP TO Q30A**

29b. And on this trip to Canada, which other types of activities would you be interested in doing in combination with your **[INSERT RESPONSE FROM 29a]? READ LIST SKIPPING RESPONSE FROM 29a. MULTIPLE RESPONSE.**

City sightseeing 1
Touring 2
Nature viewing activities 3
Outdoor activities 4
Staying in a resort 5
Cultural or history-related activities 6
Winter sports 7
DK 9

SECTION 5 – AWARENESS AND PERCEPTIONS OF AIRLINES

30a. Which airlines are you aware of that provide service from Asia to North America (i.e., to Canada or the U.S.)? **DO NOT READ LIST. MULTIPLE RESPONSE. PROBE:** Any others?

Air Canada (Maple Leaf Airlines) 1
Canadian Airlines (Canada Air) 2
Japan Airlines (JAL) 3
All Nippon (ANA) 4
Cathay Pacific 5
Singapore Airlines 6
Korean Air 7
Malaysia Airways 8
Thai Air 9
Qantas 10
American Airlines 11
United Airlines 12
Northwest Airlines 13
Delta 14
Continental 15
Other 16
..... Don't know of any 99

30b. Which Canadian-based airlines are you aware of?
DO NOT READ LIST. MULTIPLE RESPONSE.

Air Canada (Maple Leaf Airlines) 1
Canadian Airlines (Canada Air) 2
..... Don't know of any 9

30c. **IF AWARE OF BOTH AIR CANADA AND CANADIAN AIRLINES IN 30B (i.e. Q30B = 1 AND 2), ASK:** If you had a choice between the two airlines, which one would you choose? **DO NOT READ LIST. SINGLE RESPONSE.**

Air Canada (Maple Leaf Airlines) 1
Canadian Airlines (Canada Air) 2
No real preference/either one 3
..... DK 9

31a. Have you flown from Asia to North America within the past three years?

Yes 1
No ..... 2 → **SKIP TO Q32**

31b. Which airlines did you use to fly from Asia to North America within the past three years? **DO NOT READ LIST. MULTIPLE RESPONSE.**

Air Canada (Maple Leaf Airline) 1
Canadian Airlines (Canada Air) 2
Japan Airlines (JAL) 3
All Nippon (ANA) 4
Cathay Pacific 5
Singapore Airlines 6
Korean Air 7
Malaysia Airways 8
Thai Air 9
Qantas 10
American Airlines 11
United Airlines 12
Northwest Airlines 13
Delta 14
Continental 15
Other 16
..... DK 99

31c. Who chose the airline for your trips from Asia to North America? **MULTIPLE RESPONSE.**

Yourself 1
Friends or relatives 2
Business colleagues 3
Travel agent 4
Included in package 5
Other 6
..... DK 9

32. In general, how important is each of the following attributes to you in selecting an airline for an overseas holiday? For each attribute, please indicate whether it is very important, somewhat important or not important. **READ LIST. SINGLE RESPONSE FOR EACH ITEM. REPEAT SCALE AS NECESSARY.**

	Very Important	Somewhat Important	Not Important	DK
Airline service reputation	3	2	1	9
Airline safety reputation	3	2	1	9
Price of tickets	3	2	1	9
Conveniently scheduled flights	3	2	1	9
Availability of direct flight to destination	3	2	1	9
Meal and beverage service	3	2	1	9
In-flight entertainment, e.g., movies or music	3	2	1	9
In-flight duty-free shopping	3	2	1	9
Previous experience with airline	3	2	1	9
Nationality of airline	3	2	1	9
Frequent flier programs	3	2	1	9

SECTION 6 – DEMOGRAPHICS

So that we can tabulate your responses, we would like to ask you some questions that would be used for statistical purposes only.

33. Do you have any close friends or relatives living in Canada at the present time? **SINGLE RESPONSE.**

Yes 1
No 2
..... DK 9

34. What is your marital status? **READ LIST. SINGLE RESPONSE.**

Single 1
Married/living together 2
Separated/divorced/widowed 3
Other 4
..... REF 9

35. Which of the following categories best describes your occupation? **READ LIST. SINGLE RESPONSE.**

University/College Student 1
White-collar worker 2
Blue-collar worker 3
Administrator / Manager 4
Specialist / Freelancer 5
Self-employed 6
Housewife, not working outside the home 7
Unemployed 8
Retired 9
Other 10
..... DK 99

36. What is the highest level of education that you have completed? **SINGLE RESPONSE.**

High school 1
Technical or vocational school 2
Junior college 3
College or university 4
..... DK 9

37. Which of the following categories best describes your gross annual household income before taxes in 1999? Please include all wages, salaries, pensions and income from other sources. **READ LIST.**

Less than ¥3 million 1
¥ 3.0 - ¥ 4.999 2
¥ 5.0 - ¥ 6.999 3
¥ 7.0 - ¥ 9.999 4
¥ 10.0 - ¥ 11.999 5
¥ 12.0 - ¥ 14.999 6
¥ 15.0 million or over 7
..... DK/REF 9

ASK RESPONDENT

38. As part of this study, we are interested in talking to people who have visited Canada. Can you give me the name and phone number of anyone you may be aware of who has been to Canada at some time in the past three years? Please do not include anyone in the same household or anyone you travelled with on the same trip / flight to Canada.

Name: _____

Telephone Number: _____

RECORD, BUT DO NOT ASK

39. Type of sample?

Random sampling 1
Referral 2
Internet 3
Other 4

THANK YOU AND END THE INTERVIEW

Thank you for taking part in this survey

Time finish: _____

Length of interview: _____

Mins: _____

APPENDIX II - DETAILED METHODOLOGY

Overview

A telephone survey of 915 Japanese consumers residing in Tokyo, Osaka and Nagoya was conducted in the Spring of 2000. The survey population consisted of adults (aged 18 years of age and older) who had taken a long-haul pleasure trip in the past three years or who plan to take such a trip in the next year. A long-haul pleasure trip was defined as a trip outside Japan for four or more nights, by plane, taken in whole or in part for pleasure.

Survey Quotas

The survey quotas were as follows:

- n = 200 pleasure travellers who have visited Canada during the past three years;
- n = 500 pleasure travellers who have visited other international destinations during the past three years; and
- n = 200 planners who have not taken a long-haul pleasure trip within the last three years, but plan to in the next year.

Sampling Approach

The sampling approach was designed to determine accurate incidence rates for long-haul pleasure travel in Japan and to meet the quota for past travellers to Canada (which represented only 1.6% of the adult population) within a very limited budget. It was also designed to allow comparisons to be made with the CTC's 1995 Pleasure Travel Market Study (PTMS) so that changes in the marketplace (e.g., as a result of the economic situation) could be tracked.

Essentially, there were two components to the sampling plan: random sampling and booster sampling. The random component involved conducting telephone screening interviews with 2,602 randomly selected adults to determine incidence rates and weights for the survey and to screen for long-haul travellers. In-depth interviews were conducted with those who passed the screening questions (n=655).

Booster samples were used to fulfill the quotas that were not met through random sampling (i.e., travellers to Canada and planners). To meet remaining quotas, a combination of internet sampling and referral sampling were used. On the internet, a recruitment ad was used to recruit individuals who have travelled to Canada in the past three years or who definitely planned to take a long-haul trip in the next year. In addition, at the end of each contact made as part of the random stage, respondents were asked to provide the names of people they knew who had been to Canada in the past three years or who planned to travel in the next year.

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It should be noted that the use of the booster samples represents a limitation of this study in that not all of the respondents were chosen randomly, but this was necessitated by the rarity of the target populations and by budget limitations. Several steps were taken to try to eliminate any possible biases that might be introduced by the booster samples as described later in this appendix.

Data Collection

The survey instrument was translated into Japanese and culturally adapted for the Japanese market by Japan Research Consultants, a Tokyo-based fieldhouse, and PricewaterhouseCoopers Tokyo. It was then pre-tested by telephone with 20 respondents in Tokyo. The data collection was conducted by JRC in March and April of 2000. Interviews averaged around 15 minutes in length, and respondents were provided with a small incentive (a coupon book worth about $7) for participating.

The following shows the results of contacts made as part of the random component. The response rate was 26%, while the refusal rate was 65%. According to JRC, a response rate of about 33% is standard for Japan, depending on the nature of the study and the time requirements.

Summary of Contacts		
Total Contacts	10,020	100%
Total Completions	2,602	26%
Total Incompletions	7,418	74%
Refusal	6,518	65%
Not available (3 calls)	828	8%
Not used	63	1%
Other	9	0%

Of the 2,602 respondents who completed the screener, 855 were found to be qualified long-haul pleasure travellers. Of these, 655 agreed to complete the in-depth interview. The breakdown of respondents for the random component is shown below.

	Completed Screener	Completed Survey
Past Travellers to Canada	56	53
Past Travellers to Other Long-Haul Destinations	697	506
Planners	102	96
Total	**855**	**655**

Internet and referral sampling were used to meet the quotas for past travellers to Canada and for planners. Although referral sampling has been used successfully in other markets, the Japanese market turned out to be very reluctant to provide referrals so JRC was forced to obtain the majority of the augment sample through internet recruiting. Since one would expect biases in a sample obtained from the internet, we attempted to test and correct for this (described below under weighting). The final breakdown of the sample was as follows:

	Random	Internet	Referral*	Total
Past Travellers to Canada	53	139	17	209
Past Travellers to Other Long-Haul Destinations	506	0	0	506
Planners	96	101	3	200
Total	**655**	**240**	**20**	**915**

Note: Each referral came from a different person in the random sample.

Calculation of Incidence Rates

Incidence rates for long-haul travel were calculated based on the 2,602 randomly-selected respondents who answered the screener. Although the demographic characteristics of the screener sample closely matched Japanese population estimates (see table below), the data were weighted by region and age to provide greater accuracy.

	Screener (n-2,602)	Population Estimates (18 +)
Region:		
Tokyo	63%	59%
Osaka	28%	29%
Nagoya	10%	12%
Gender:		
Male	50%	50%
Female	50%	50%
Age:		
18-29	24%	23%
30-39	19%	17%
40-49	20%	17%
50+	38%	43%

It should be noted that the use of the booster samples represents a limitation of this study in that not all of the respondents were chosen randomly, but this was necessitated by the rarity of the target populations and by budget limitations. Several steps were taken to try to eliminate any possible biases that might be introduced by the booster samples as described later in this appendix.

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40-49	20%	17%
50+	38%	43%

The incidence with which respondents travelled to Canada or other long-haul destinations in the past three years, or planned to travel in the next year, was determined based on the weighted responses to the screener questions. These incidence rates were then adjusted to reflect the entire adult population of Japan rather than just the three regions sampled (as was done in the 1995 PTMS). The Tokyo, Osaka and Nagoya regions account for 45% of the adult population of Japan, but 61% of all outbound departures in 1999. Consequently the calculated incidence rates over-represent the true incidence of long-haul pleasure travel in Japan and were weighted down (i.e., multiplied by 45.16/61.13) to take into account the lower propensity for travel in the other (non-sampled) regions of Japan. The initial and adjusted incidence rates are shown in the table below.

	Incidence Rate	Adjusted Inc. Rate
Pleasure travellers to Canada	2.2%	1.6%
Pleasure travellers to other long-haul destinations	26.5%	19.6%
Planners	5.8%	4.3%
Total	**34.5%**	**25.5%**

Weighting Procedures

Because one would expect biases in a sample obtained through referrals/the internet, we compared the non-random respondents in our sample to the random respondents on key demographic and non-demographic variables for past travellers to Canada and for planners. We also compared travellers to other destinations (n=506, all randomly selected), with the larger sample of respondents who completed the screener (n=697) with respect to age and gender (which were included in the screener questions). We found that:

- For travellers to Canada and planners, the non-random and random groups differed on gender (more females in the non-random samples) and on age (fewer respondents over 50 among non-random planners) and fewer respondents over 60 among non-random travellers to Canada);
- In terms of other demographics (e.g., household income, occupation) the non-random planner and Canada groups were remarkably similar to the random groups;
- With regard to key non-demographic variables (e.g., interest in visiting Canada, use of packages on most recent trip), again the non-random and random groups were remarkably similar (for example, 46% of random planners were interested in visiting Canada as were 46% of non-random planners; 61% of random planners used a package compared with 63% of non-random planners, etc.)
- Although the travellers to other destinations in the sample were all randomly selected, those who agreed to do the main survey differed from those who were screened as travellers to other destinations but refused to participate in the survey itself in that they were more likely to be female.

The incidence with which respondents travelled to Canada or other long-haul destinations in the past three years, or planned to travel in the next year, was determined based on the weighted responses to the screener questions. These incidence rates were then adjusted to reflect the entire adult population of Japan rather than just the three regions sampled (as was done in the 1995 PTMS). The Tokyo, Osaka and Nagoya regions account for 45% of the adult population of Japan, but 61% of all outbound departures in 1999. Consequently the calculated incidence rates over-represent the true incidence of long-haul pleasure travel in Japan and were weighted down (i.e., multiplied by 45.16/61.13) to take into account the lower propensity for travel in the other (non-sampled) regions of Japan. The initial and adjusted incidence rates are shown in the table below.

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- Although the travellers to other destinations in the sample were all randomly selected, those who agreed to do the main survey differed from those who were screened as travellers to other destinations but refused to participate in the survey itself in that they were more likely to be female.

Weighting was used to correct for biases with respect to gender and age, as well as to reflect the actual proportions of travellers to Canada, travellers to other destinations and planners in the long-haul market (as per the incidence rates). The population distributions used for weighting are shown in the table below.

	Travellers To Canada (1.6%)	Travellers to Other Destinations (19.6%)	Planners (4.3%)
Source for Pop'n Estimates	CTC In-Flight Survey (n=1,351)	Screener (n=697)	Screener (n=102)
Gender:			
Male	40%	42%	46%
Female	60%	58%	54%
Age:			
18 to 29	23%	30%	25%
30 to 39	18%	16%	17%
40 to 49	17%	14%	13%
50 +	42%	40%	45%

Planners and travellers to other destinations were weighted based on the randomly selected respondents who answered the screener (n=102 and 697, respectively). For travellers to Canada, the screener sample was too small to be used for weighting purposes (only 56 people), so it was decided to weight based on the results from the Japan In-Flight Survey (n=1,351). The two datasets were actually fairly close in terms of gender (61% female for random travellers to Canada vs. 60% for the in-flight survey), but the random sample had more older individuals (56% were 50 or older vs. 42% in the in-flight survey). It should be kept in mind that in the aggregate results, past visitors to Canada are weighted down to only 6% of the overall market.

Weights were calculated to weight the sample up to population estimates, i.e., so that the survey sample of 915 respondents represents the full market of 26,128,000 Japanese long-haul pleasure travellers (25.5% of the total population of 102,466,000 Japanese adults).